

OVERBID PROCEDURES

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22. Any party wishing to overbid shall deposit a Cashier's Check for \$50,000.00, made payable to "Frederick W. Kosmo, Debtor-in-Possession," with counsel for the Debtor at or prior to the hearing.

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23. The sale shall be upon the same terms and conditions as the proposed sales to Jim Exon or nominee memorialized in the Escrow Instructions attached to the motion as Exhibits "B", "C", and "D." If any of the contingencies in the sale to Jim Exon or nominee have been satisfied or waived prior to the hearing on the motion, any overbids shall be subject to said waivers and satisfactions.

24. Minimum overbid will be ten percent (10%) of the proposed sale price for each property.

25. Subsequent overbids will be set by the court.

26. Successful bidders shall open escrow within three (3) business days following the hearing.

27. The \$50,000.00 Cashier's Check referred to in paragraph 1. above shall be forfeited by the successful bidder if escrow has not opened as set forth above or the sale does not close in a timely manner through not fault of the seller.

AMENDMENT TO ESCROW INSTRUCTIONS

TO: CHICAGO TITLE COMPANY, licensed by the California Department of Insurance

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805)987-0481 Fax (805)987-0633

Escrow No. 24043566 - J30 Escrow Officer Lexi Howard

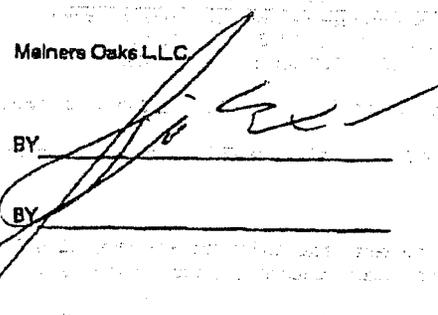
Date August 21, 2002

Property: 443 and 445 El Roblar Drive, Ojai, CA 93023

- 1. The Commercial Property Purchase Agreement and Joint Escrow Instructions under your Escrow No. 024043566
- 2. and any amendments and/or supplements thereto, are hereby amended and/or supplemented as follows:
- 3.
- 4. The undersigned buyer hereby removes all contingencies with the exception of the following attachment, the terms
- 5. and conditions of which are hereby incorporated by reference hereto.
- 6.
- 7.
- 8. ALL OTHER TERMS AND CONDITIONS ARE TO REMAIN THE SAME.
- 9.

14. Frederick W. Kosmo

17. Melners Oaks LLC

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24. BY _____

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EXHIBIT " B "

Escrow No. 24043566
Attachment to Amendment dated August 21, 2002

On or before 8/26/02, Seller to provide Buyer with a completed mold disclosure in order for Buyer to proceed with obtaining an insurance quote for the property.

On or before 8/26/02;

1. Buyer to be allowed to contact tenant directly to arrange for Ojai Pest Control to complete pest control inspection.
2. Buyer to be provided with signed estoppel certificate from tenant
3. Buyer to receive response from Seller and tenant per letter dated Aug. 5th 2002

Upon completion of the preceding, approval by the Buyer and finalizing acceptable terms with the tenant per the letter dated Aug. 5th 2002, the Buyers are prepared to remove all contingencies and escrow is to close immediately upon approval by the bankruptcy court.

The buyer is hereby amended to Meiners Oaks L.L.C. Prior to close of escrow, buyer shall provide Chicago Title Company with evidence of the formation of same, including but not limited to a copy of the Operating Agreement and a Secretary of State certified copy of the LLC-1 for recording at close of escrow.

Seller is aware that Jerry and Charleen Michaels, California Real Estate Brokers are participating as buyers with Jim and Kim Exon, as part of the above LLC.

Frederick W. Kosmo

Meiners Oaks L.L.C.

BY _____

BY _____

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805)987-0481 Fax (805)987-0633

Escrow No. 24043566 - J30

Escrow Officer Lexi Howard

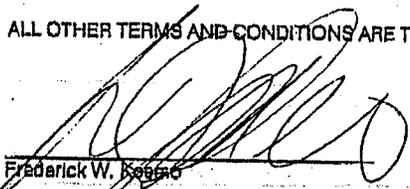
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- 4. The undersigned buyer hereby removes all contingencies with the exception of the following attachment, the terms
- 5. and conditions of which are hereby incorporated by reference hereto.
- 6.
- 7.

8. ALL OTHER TERMS AND CONDITIONS ARE TO REMAIN THE SAME.

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Frederick W. Bassano

Melners Oaks L.L.C.

BY _____

BY _____

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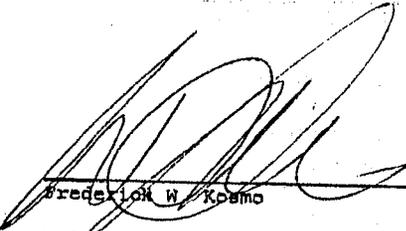
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Seller is aware that Jerry and Charleen Michaels, California Real Estate Brokers are participating as buyers with Jim and Kim Exon, as part of the above LLC.



Frederick W. Kosmo

Meiners Oaks L.L.C.

BY _____

BY _____



CHICAGO TITLE COMPANY

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010

(805) 987-0481 Fax: (805) 987-0633

Escrow No: 24043566 - J30

Escrow Officer: Lexi Howard

Prior to the close of your escrow, you will need to provide us with how you wish to hold title to the real property you are purchasing. For your convenience, you may use the lower portion of this letter to indicate the exact name and manner of title.

If you have any questions concerning this form, please do not hesitate to give us a call. If you have any questions or concerns regarding how you should hold title, please consult your attorney.

By: Lexi Howard
Escrow Officer

TO:

Title to the real property I/we are acquiring shall vest in the manner indicated below.

Meiners Oaks LLC Jim Ewan Managing Director
(please print name(s) as you will sign)

- Husband and Wife, as Joint Tenants
 - Husband and Wife, as Community Property
 - Husband and Wife, as Community Property with Right of Survivorship
 - Husband and Wife, as Tenants In Common
 - An Unmarried Man (divorced)
 - An Unmarried Woman (divorced)
 - A Married Man As His Sole and Separate Property (Quitclaim Deed will be required from Spouse)
Wife's name: _____
 - A Married Woman As Her Sole and Separate Property (Quitclaim Deed will be required from Spouse)
Husband's name: _____
 - A Single Man (never married)
 - A Single Woman (never married)
 - A Widow
 - A Widower
 - as to an undivided _____ % Interest
 - A TRUST AS FOLLOWS: _____

- (exact names of the trustees and name and date of the trust)
A FULL COPY OF THE TRUST MAY BE REQUIRED
- Other: _____

Escrow holder is authorized to complete the Grant Deed and all pertinent documents, prior to close of escrow in accordance with same

JE
(please sign in same manner as printed above)

(please sign in same manner as printed above)

(please sign in same manner as printed above)

(please sign in same manner as printed above)



TO: CHICAGO TITLE COMPANY, licensed by the California Department of Insurance

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805) 987-0481 Fax (805) 987-0633

Escrow No. 24043566 - J30 Escrow Officer Lexi Howard

Date June 28, 2002

Property: 443 and 445 El Roblar Drive, Ojai, CA 93023

Upon close of the above referenced escrow, and from final proceeds due Seller(s) thereunder, Escrow Holder has received instructions to pay commission as follows:

Jacobson Realty , Inc. \$3,500.00
a licensed real estate broker, the sum of

AND ALSO PAY

Coldwell Banker Property Shoppe \$3,500.00
a licensed real estate broker, the sum of

TO PAY A TOTAL COMMISSION OF \$7,000.00

Unless you are given contrary written instructions by the named Broker, Agent, employee or representative of said Broker, when this escrow is closed please mail payment to the corresponding address shown below.

Receipt Acknowledged:

Jacobson Realty , Inc.

Coldwell Banker Property Shoppe

By: _____
Broker Signature

By: _____
Broker Signature

License No.: _____

License No.: _____

Address: 445 Rosewood Avenue, Suite J
Camarillo, CA 93010

Address: 727 W. Ojai Avenue
Ojai, CA 93023

Telephone: (805) 389-4747

Telephone: (805) 646-7288

Agent: Lynn J. Osslund

Agent: Jerry Michaels



Date June 12, 2002, at Camarillo, California. This is a counter offer to the [] Residential Purchase Agreement, [] Counter Offer, [X] Other Com Prop Purchase Agrmt ("Offer"), dated June 11, 2002, regarding 443 and 445 El Roblar Ojai - ("Property"), between Jim Exon - ("Buyer"), and Frederick Kosmo - ("Seller").

- 1. TERMS: The terms and conditions of the above referenced document are accepted subject to the following: A. Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer. B. Unless otherwise specified in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer. C. 1) Interest rate on note carried back by Seller to be 8%. In the event Buyer wishes to pay down the principal during the 5 year term on said note, Buyer shall prepay no more than 20% principal in any 1 year. Due on sale clause to be included in said note. (Ref #2C of original offer). Purchaser to be Jim Exon and/or nominee. 2) Seller does not have in his possession any surveys, plans, engineering, permits, or approvals pertaining to the subject property. Seller is unaware if structural additions or modifications may or may not have been made over the years. Buyer is aware that these structures are older and Buyer is purchasing these properties in AS IS condition. Buyer shall make any inspections to satisfy self as to the current condition of the property. (Ref #5 and #6 of original offer) 3) Seller shall have 15 days to provide information to Buyer per #15A(1) of original offer. Paragraph 15A2 of purchase contract to be 30 days. 4) Seller reserves the right to make a 1031 tax free exchange and Buyer to cooperate with Seller in making said exchange at no added cost or liability to Buyer. 5) Paragraph #40 of original offer is deleted in its entirety. D. The following attached addenda/supplements are incorporated in this Counter Offer: [] Contract Addendum No. []

2. RIGHT TO ACCEPT OTHER OFFERS: Seller reserves the right to continue to offer the Property for sale or for other transaction, and to accept any other offer at any time prior to communication of acceptance, as described in paragraph 3. If this is a Seller Counter Offer, Seller's acceptance of another offer prior to Buyer's acceptance and communication of acceptance of this Counter Offer, shall revoke this Counter Offer.

3. EXPIRATION: Unless acceptance of this Counter Offer is Signed by the Buyer or Seller to whom it is sent, and communication of acceptance is made by delivering a Signed Copy which is personally received, to the person making this Counter Offer or to [] checked [] date: June 12, 2002, time 6:00 [] AM [X] PM, this Counter Offer shall be deemed revoked and the deposit shall be returned to Buyer. This Counter Offer may be executed in counterparts.

4. [] (If Checked:) MULTIPLE COUNTER OFFER: Seller is making a Counter Offer(s) to another prospective buyer(s) on terms that may or may not be the same as in this Counter Offer. Acceptance of this Counter Offer by Buyer shall not be binding unless and until it is subsequently re-Signed by Seller in paragraph 7 below and communication of Seller's acceptance is made by delivering a Signed Copy, in person, by mail or by facsimile, which is personally received, to Buyer or to [] Prior to the completion of all of these events, Buyer and Seller shall have no duties or obligations for the purchase or sale of the Property.

5. OFFER: BUYER OR SELLER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY. Date [] Date []

6. ACCEPTANCE: I/WE accept the above Counter Offer (If checked [] SUBJECT TO THE ATTACHED COUNTER OFFER) and acknowledge receipt of a Copy [] Date [] Time [] AM [] PM Date [] Time [] AM [] PM

7. MULTIPLE COUNTER OFFER SIGNATURE LINE: By signing below, Seller accepts this Multiple Counter Offer. NOTE TO SELLER: Do NOT sign in this box until after Buyer signs in paragraph 6.) (Paragraph 7 applies only if paragraph 4 is checked.) Date [] Time [] AM [] PM Date [] Time [] AM [] PM

8. (KJ) (Initials) ACKNOWLEDGMENT OF RECEIPT: The maker of the Counter Offer, or that person's authorized agent as specified in paragraph 3, (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent as specified in paragraph 4) acknowledges receipt of a Signed Copy of this Counter Offer on [] (date), at [] AM [X] PM.

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Reviewed by [] Broker or Designee [] Date []





CALIFORNIA
ASSOCIATION
OF REALTORS®

**COMMERCIAL PROPERTY PURCHASE AGREEMENT,
AND JOINT ESCROW INSTRUCTIONS
(AND RECEIPT FOR DEPOSIT)**
(NON-RESIDENTIAL)

(C.A.R. Form CPA-11, Revised 4/01)

Date June 11, 2002, at Ojai, California.

1. OFFER:

A. THIS IS AN OFFER FROM Jim Exon ("Buyer").
 Individual(s), A Corporation, A Partnership, An LLC, or An LLP, or Other

B. THE REAL PROPERTY TO BE ACQUIRED is described as 443 and 445 El Roblar, Assessor's Parcel No. 017-0-141-100, situated in Ojai (unincorporated), County of Ventura, California, ("Property").

C. THE PURCHASE PRICE offered is One Hundred Seventy-Five Thousand Dollars \$ 175,000.00

D. CLOSE OF ESCROW shall occur 120 Days After Acceptance (or on _____ (date)).

2. FINANCING: Obtaining the loans below is a contingency of this Agreement unless: (i) either 2I or 2J is checked below or (ii) otherwise agreed. Buyer shall act diligently and in good faith to obtain the designated loans. Obtaining deposit, down payment and closing costs is not a contingency.

A. BUYER HAS GIVEN A DEPOSIT TO THE AGENT SUBMITTING THE OFFER \$ 5,000.00
(or to _____), made payable to Chicago Title

by Personal Check, or _____, which shall be held uncashed until Acceptance and then deposited within 3 business days after Acceptance or _____, with Escrow Holder, into Broker's trust account or _____
Buyer represents that funds will be good when deposited with Escrow Holder.

B. INCREASED DEPOSIT shall be deposited by Buyer with Escrow Holder within _____ Days After Acceptance, ... \$ _____
or _____

C. FIRST LOAN IN THE AMOUNT OF \$ 100,000.00
NEW First Deed of Trust in favor of LENDER, SELLER,

OR ASSUMPTION of (or "subject to") Existing First Deed of Trust encumbering the Property, securing a note payable at maximum interest of 7.000 % fixed rate, or _____ % initial adjustable rate with a maximum interest rate cap of 0.000 %, balance due in 5 years, amortized over _____ years. (If checked: and with a margin not to exceed _____ %, tied to the following index: _____.) Buyer shall pay loan fees/points not to exceed _____
Additional terms: Mortgage payments to be interest only. Buyer to provide seller with all standard protections per seller financing disclosure.

D. SECOND LOAN IN THE AMOUNT OF \$ _____
NEW First Deed of Trust in favor of LENDER, SELLER,

OR ASSUMPTION of (or "subject to") Existing Second Deed of Trust encumbering the Property, securing a note payable at maximum interest of _____ % fixed rate, or _____ % initial adjustable rate with a maximum interest rate cap of _____ %, balance due in _____ years, amortized over _____ years. (If checked: and with a margin not to exceed _____ %, tied to the following index: _____.) Buyer shall pay loan fees/points not to exceed _____
Additional terms: _____

E. ADDITIONAL FINANCING TERMS: \$ _____

F. BALANCE OF PURCHASE PRICE (not including costs of obtaining loans and other closing costs) to be ... \$ 70,000.00
deposited with Escrow Holder within sufficient time to close escrow.

G. TOTAL PURCHASE PRICE \$ 175,000.00

H. LOAN CONTINGENCY shall remain in effect until the designated loans are funded or assumption of existing financing is approved by lender (or _____ Days) After Acceptance, by which time Buyer shall give Seller written notice of Buyer's election to cancel this Agreement if Buyer is unable to obtain the designated loans. If Buyer does not give Seller such notice, the contingency of obtaining the designated loans shall be removed by the method specified in paragraph 15.

I. NO LOAN CONTINGENCY: (If checked) Obtaining any loan in paragraphs 2C, 2D, 2E or elsewhere in this Agreement is NOT a contingency of this Agreement. If Buyer does not obtain the loan(s), and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

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Buyer and Seller acknowledged receipt of a copy of this page.
Buyer's Initials (_____) (_____)
Seller's Initials (_____) (_____)

Reviewed by _____ Date _____
Broker or Designee _____



- J. ALL CASH OFFER: (If checked) _____ is needed to purchase the Property. Buyer shall, _____ 5 (or _____) Days After Acceptance, provide Seller written verification of sufficient funds to close this transaction. Seller may cancel this Agreement in writing within 5 Days After: (I) time to provide verification expires, if Buyer fails to provide verification, or (II) receipt of verification, if Seller reasonably disapproves it.
- K. LOAN APPLICATIONS; PREQUALIFICATION: Within 5 (or _____) Days After Acceptance, Buyer shall provide Seller a letter from lender or mortgage loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified for the NEW loan(s) indicated above. If Buyer fails to provide such letter within that time, Seller may cancel this Agreement in writing.
- L. APPRAISAL CONTINGENCY: (If checked) This Agreement is contingent upon Property appraising at no less than the specified total purchase price. If there is a loan contingency, the appraisal contingency shall remain in effect until the loan contingency is removed. If there is no loan contingency, the appraisal contingency shall be removed within 10 (or _____) Days After Acceptance.
- M. SELLER FINANCING: For any Seller financing designated above, Buyer is to execute a note secured by a deed of trust in favor of Seller, on the terms and conditions set forth in the attached addendum (C.A.R. Form SFA-11).
- N. ASSUMED OR "SUBJECT TO" FINANCING: Seller represents that Seller is not delinquent on any payments due on any loans. Seller shall, within the time specified in paragraph 15, provide copies of all applicable notes and deeds of trust, loan balances and current interest rates to Buyer. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer, and credited to Seller. Seller is advised that Buyer's assumption of an existing loan may not release Seller from liability on that loan. If Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.

3. CLOSING AND OCCUPANCY

- A. Possession and occupancy, subject to the rights of tenants under existing leases, shall be delivered to Buyer at 12:00 AM PM, on the date of Close of Escrow, on _____, or no later than _____ Days After Close Of Escrow.
 - B. At Close Of Escrow, Seller assigns to Buyer any assignable warranty rights for items included in the sale and shall provide any available copies of such warranties. Brokers cannot and will not determine the assignability of any warranties.
 - C. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys and/or means to operate all locks, mailboxes, security systems, alarms and garage door openers. If Property is a unit in a condominium or other common interest subdivision, Buyer may be required to pay a deposit to the Owners' Association ("OA") to obtain keys to accessible OA facilities.
4. ALLOCATION OF COSTS (If checked): If any of the inspections or reports in paragraph 4A, B, C and D are checked, then with regard to that item, Buyer shall have approval, removal and cancellation rights, and obligations as specified in paragraph 15.

INSPECTIONS AND REPORTS

- A. Buyer Seller shall pay for sewer connection; if required by Law prior to Close Of Escrow. _____
- B. Buyer Seller shall pay to have septic or private sewage disposal system inspected. _____
- C. Buyer Seller shall pay to have domestic wells tested for water potability and productivity. _____
- D. Buyer Seller shall pay for a natural hazard zone disclosure report prepared by _____

GOVERNMENT REQUIREMENTS AND RETROFIT

- E. Buyer Seller shall pay for smoke detector installation and/or water heater bracing, if required by Law. Prior to Close Of Escrow, Seller shall provide Buyer a written statement of compliance in accordance with state and local Law, unless exempt.
- F. Buyer Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards, inspections and reports if required as a condition of closing escrow under any Law.

ESCROW, TITLE AND OTHER COSTS

- G. Buyer Seller shall pay escrow fee. Cost to be shared 50/50 between buyer and seller
Escrow Holder shall be Chicago Escrow in Camarillo-Lexi Howard, escrow officer
- H. Buyer Seller shall pay for owner's title insurance policy specified in paragraph 14.
Owner's title policy to be issued by Chicago Title
(Buyer shall pay for any title insurance policy insuring Buyer's Lender, unless otherwise agreed.)
- I. Buyer Seller shall pay County transfer tax or transfer fee. _____
- J. Buyer Seller shall pay City transfer tax or transfer fee. _____
- K. Buyer Seller shall pay Owners' Association transfer fees. _____
- L. Buyer Seller shall pay Owners' Association document preparation fees. _____

5. SELLER DISCLOSURES: Within the time specified in paragraph 15, Seller, shall provide to Buyer, in writing, the following disclosures and information. Buyer shall then, within the time specified in paragraph 15, investigate the disclosures and information, and provide Seller with notice, if any, as specified in paragraph 15.

- A. NATURAL HAZARD ZONE: Special Flood Hazard Areas; Potential Flooding (Inundation) Areas; Very High Fire Hazard Severity Zones; State Fire Responsibility Areas; Earthquake Fault Zones; Seismic Hazard Zones, or any other federal, state, or locally designated zone for which disclosure is required by Law.
- B. PROPERTY DISCLOSURES AND PUBLICATIONS: Earthquake Guide (and disclosures), if required by Law, and Environmental Hazards Booklet.
- C. STRUCTURAL MODIFICATIONS: Any known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.

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Buyer and Seller acknowledge receipt of a copy of this page.

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

Reviewed by _____
Broker or Designee _____ Date _____



- D. **GOVERNMENTAL COMPLIANCE:** Any improvements, additions, alterations, or repairs made by Seller, or known to Seller to have been made, without required governmental permits, inspections, and approvals.
 - E. **VIOLATION NOTICES:** Any notice of violations of any Law filed or issued against the Property and actually known to Seller.
 - F. **MISCELLANEOUS ITEMS:** Any of the following, if actually known to Seller: (I) any current pending lawsuit(s), investigation(s), inquiry(ies), action(s), or other proceeding(s) affecting the Property, or the right to use and occupy it; (II) any unsatisfied mechanic or materialman lien(s) affecting the Property; and (III) that any tenant of the Property is the subject of a bankruptcy.
 - G. (If checked) **CONDOMINIUM/Common Interest Subdivision:** Property is a unit in a condominium, or other common interest subdivision. Seller shall request from the OA and, upon receipt, provide to Buyer: (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claims or litigation by or against the OA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of OA minutes for regular and special meetings, if available; and (v) the names and contact information of all OAs governing the Property.
 - H. **SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information, or representations previously provided to Buyer of which Buyer is otherwise unaware, Seller shall promptly provide a subsequent or amended disclosure, in writing, covering those items. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports received by Buyer.**
6. **SELLER DOCUMENTATION:** Within the time specified in paragraph 15, Seller shall provide Buyer the following information. Buyer shall then, within the time specified in paragraph 15, investigate the information and provide Seller with notice, if any, as specified in paragraph 15.
- A. **SURVEYS, PLANS AND ENGINEERING DOCUMENTS:** Copies of surveys, plans, specifications, and engineering documents, if any, in Seller's possession or control.
 - B. **RENTAL SERVICE AGREEMENTS:** (I) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; and (II) a rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates, or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any concession, rebate, or other benefit, except as set forth in these documents.
 - C. **INCOME AND EXPENSE STATEMENTS:** The books and records, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business, and used by Seller in the computation of federal and state income tax returns.
 - D. **ESTOPPEL CERTIFICATES:** Tenant Estoppel certificates completed by Seller or Seller's agent, acknowledging: (I) that tenants' rental or lease agreements are unmodified and in full force and effect (or if modified, stating all such modifications); (II) that no lessor defaults exist; and (III) the amount of any prepaid rent or security deposit. Tenant Estoppel certificates shall be signed by each tenant or, if a tenant does not sign, by Seller or Seller's agent, who shall indicate whether or not the signature is binding upon the tenant.
 - E. **PERMITS:** If in Seller's possession, copies of all permits and approvals concerning the Property, obtained from any governmental entity, including, but not limited to, Certificates of Occupancy, Conditional Use Permits, Development Plans, and licenses and permits pertaining to the operation of the Property.
7. (If checked) **ENVIRONMENTAL SURVEY:** Within _____ Days After Acceptance, Buyer shall be provided a phase one environmental survey report paid for and obtained by Buyer, Seller. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15.
8. **CHANGES DURING ESCROW:**
- A. Prior to Close Of Escrow, Seller may only engage in the following acts ("Proposed Changes") subject to Buyer's rights in paragraph 8B: (i) rent or lease any vacant unit or other part of the premises; (ii) alter, modify, or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of Property.
 - B. Seller shall give written notice to Buyer of any Proposed Changes. Buyer shall, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15, and if Buyer disapproves, Seller shall not make the Proposed Changes.
9. **CONDITION OF PROPERTY:**
- A. Unless otherwise agreed, (i) Property is sold (a) in its PRESENT physical condition on the date of Acceptance and (b) subject to Buyer inspection rights; (ii) 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.
 - B. **SELLER SHALL DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS AND MAKE OTHER DISCLOSURES REQUIRED BY LAW.**
 - C. Buyer has the right to inspect the Property and, based upon information discovered in those inspections, may reasonably request that Seller make Repairs, corrections or take other action as specified in paragraph 15.
 - D. **Note to Buyer:** You are strongly advised to conduct inspections of the entire Property in order to determine its present condition since Seller may not be aware of all defects affecting the Property or other factors that you consider important. Property improvements may not be built according to codes or in compliance with current Law, or have had permits issued.
 - E. **Note to Seller:** Buyer may request that you make certain Repairs and, in the event you refuse or are unable to make those Repairs, Buyer may cancel this Agreement as specified in paragraph 15.

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

Reviewed by _____ Date _____
Broker or Designee _____ Date _____



10. FIXTURES AND PERSONAL PROPERTY

- A. ITEMS INCLUDED IN SALE: All EXISTING fixtures and fittings that are attached to the Property are INCLUDED IN THE PURCHASE PRICE (unless excluded in paragraph 10C below), and shall be transferred free of liens and without Seller warranty. Items to be transferred shall include, but are not limited to, existing electrical, mechanical, lighting, plumbing and heating fixtures, fireplace inserts, solar systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes and related equipment, private integrated telephone systems, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, attached fireplace equipment, mailbox, in-ground landscaping, including trees/shrubs, and (if owned by Seller) water softeners, water purifiers and security systems/alarms.
- B. ADDITIONAL ITEMS INCLUDED: A complete inventory of all personal property of Seller currently used in the operation of the Property and included in the purchase price, shall be delivered to Buyer within the time specified in paragraph 15. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15. Seller shall deliver title to the personal property by Bill of Sale, free of all liens and encumbrances, and without warranty of condition, except None. As additional security for any note in favor of Seller for any part of the purchase price, Buyer shall execute a UCC-1 Financing Statement to be filed with the Secretary of State, covering the personal property included in the purchase, replacement thereof, and any insurance proceeds.
- C. ITEMS EXCLUDED FROM SALE: None

Within the time specified in paragraph 15, Seller shall give Buyer a list of fixtures not owned by Seller. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15.

- 11. BUYER'S INVESTIGATION OF PROPERTY CONDITION: 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 15. Buyer shall have the right at Buyer's expense, unless otherwise agreed, to conduct inspections, investigations, tests, surveys, and other studies ("Inspections"), including the right to: (I) inspect for lead-based paint and other lead-based paint hazards; and (II) inspect for wood destroying pests and organisms. No Inspections shall be made by any governmental building or zoning inspector, or government employee, without Seller's prior written consent, unless required by Law. Buyer shall complete these Inspections and give any written notice to Seller within the time specified in paragraph 15. At Seller's request, Buyer shall give Seller, at no cost, complete Copies of all Inspection reports supporting Buyer's written requests. Seller shall make Property available for all Inspections. Seller shall have water, gas and electricity on for Buyer's Inspections and through the date possession is made available to Buyer.
- 12. 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 work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a 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 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 receipts and statements to Buyer prior to final verification of condition.
- 13. BUYER INDEMNITY AND SELLER PROTECTION FOR ENTRY UPON PROPERTY: Buyer shall: (i) keep Property free and clear of liens; (ii) indemnify and hold Seller harmless from all liability, claims, demands, damages and costs arising from Inspections; and (iii) Repair all damages arising from Inspections. 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 Inspections 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 for Inspections and work done on the Property at Buyer's direction.
- 14. TITLE AND VESTING:
 - A. Within the time specified in paragraph 15, Buyer shall be provided a current preliminary (title) report, which is only an offer by the title insurer to issue a policy of title insurance, and may not contain every item affecting title. Buyer shall provide written notice to Seller in accordance with and within the time specified in paragraph 15.
 - B. At Close Of Escrow, Buyer shall receive a grant deed conveying title, including oil, mineral and water rights if currently owned by Seller. Title shall be subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters that are of record or disclosed to Buyer prior to Close Of Escrow, unless otherwise requested in writing by Buyer and agreed to by Seller within the time specified in paragraph 15. However, title shall not be subject to any liens against the Property, except for those specified in this Agreement. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES.
 - C. Buyer shall receive a CLTA Policy of Title Insurance, if available for the Property. A title company, at Buyer's request, can provide information about availability, desirability, coverage, and cost of various title insurance coverages and indorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and pay any increase in costs.

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

Reviewed by _____ Date _____
 Broker or Designee _____ Date _____



15. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement.

- A. ORDERING, COMPLETING AND REVIEWING INSPECTIONS AND REPORTS:
 - (1) SELLER HAS: 5 (or 7) Days After Acceptance, or as applicable, discovery, to order, request or complete all reports, disclosures and information for which Seller is responsible under paragraphs 2N, 4, 5, 6, 7, 8, 10, and 14. Seller has 2 Days After receipt (or completion) of any of these items to provide it to Buyer. Buyer has 5 (or 7) Days After receipt of (I) each of the above items and (II) notice of violation of Law under paragraph 5E and Proposed Changes under paragraph 8 to review the report, disclosure or other information.
 - (2) BUYER HAS: 14 (or 21) Days After Acceptance to complete all inspections, investigations and review of reports and other applicable information for which Buyer is responsible.
- B. (1) APPROVAL OR REQUEST: Within the times specified above (or paragraph 2H for loan contingency), Buyer shall provide Seller with either (I) an unconditional approval and removal of the applicable contingency, or (II) a reasonable written request that Seller Repair or take other action (or for loan contingency, cancellation if Buyer is unable to obtain the designated loan).
- (2) EFFECT OF BUYER'S REQUEST: If, pursuant to B(1), Buyer reasonably requests that Seller Repair or take other action, Buyer and Seller have 5 (or 7) Days After Seller's receipt of Buyer's request to reach mutual written agreement on Buyer's request. If (I) Seller has agreed in writing to unconditionally and completely take the action requested by Buyer, or (II) Buyer and Seller have reached a mutual written agreement with respect to those items, then the transaction shall proceed on those terms. Seller has no obligation, express or implied, to satisfy Buyer's requests.
- (3) EFFECT OF NO WRITTEN AGREEMENT ON BUYER'S REQUESTS: If, at the expiration of the time in B(2), neither B(2)(I) nor (II) has occurred, Buyer has 2 (or 5) Days to cancel this Agreement in writing.
- C. ACTIVE OR PASSIVE REMOVAL OF CONTINGENCIES AND CANCELLATION RIGHTS:
 - (1) ACTIVE METHOD (Applies only if checked):
 - (a) (No written request or removal by Buyer) If, within the time specified in A, Buyer does not give Seller written notice pursuant to B(1), Seller may cancel this Agreement in writing. Notwithstanding the expiration of the time specified, Buyer retains the right to give Seller written notice under B1 at any time prior to receiving Seller's written cancellation. Once Seller receives Buyer's written request or removal, Seller may not cancel this Agreement pursuant to paragraph C(1)(a).
 - (b) (No written cancellation by Buyer) If, within the time specified, Buyer does not give Seller written notice of cancellation pursuant to B(3), either Buyer or Seller may cancel this Agreement in writing at any time prior to Buyer and Seller reaching mutual written agreement with respect to any requests made pursuant to B(1).
 - (2) PASSIVE METHOD: If, within the time specified, Buyer does not give Seller: (I) a reasonable written request pursuant to B(1) (or for loan contingency, cancellation if Buyer is unable to obtain the designated loan), or (II) written notice of cancellation pursuant to B(3) if no agreement is reached on Buyer's requests, then Buyer shall be deemed, as applicable, to have unconditionally approved and removed the contingency or withdrawn the request and waived any right to cancel associated with the requested item.
- D. EFFECT OF REMOVAL: If Buyer removes any contingency or cancellation right by the active or passive method, as applicable, Buyer shall conclusively be deemed to have: (I) completed all inspections, 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 inability to obtain financing if the contingency pertains to financing, unless, pursuant to B(2) or elsewhere in this Agreement, Seller agrees to make Repairs or take other action.
- E. 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, Buyer and Seller agree to Sign mutual instructions to cancel the sale and escrow and release deposits, less fees and costs, to the party entitled to the funds. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Release of funds will require mutually, Signed release instructions from Buyer and Seller, judicial decision or arbitration award. A party may be subject to a civil penalty of up to \$1,000 for refusal to sign such instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).
- 16. FINAL VERIFICATION OF CONDITION: Buyer shall have the right to make a final inspection of the Property within 5 (or 7) Days prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm (I) Property is maintained pursuant to paragraph 9A, (II) Repairs have been completed as agreed, and (III) Seller has complied with Seller's other obligations.
- 17. ENVIRONMENTAL HAZARD CONSULTATION: Buyer and Seller acknowledge: (I) Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (II) Broker has made no representation concerning the applicability of any such law to this transaction, to Buyer, or to Seller, except as otherwise indicated in this Agreement; (III) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (IV) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location, and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.
- 18. AMERICANS WITH DISABILITIES ACT: The Americans With Disabilities Act ("ADA") prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. The ADA can require, among other things, buildings to be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker does not have the technical expertise either to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact an attorney, contractor, architect, engineer or other qualified professional of his/her own choosing to determine to what degree, if at all, the ADA impacts that principal or this transaction.
- 19. SECURITY DEPOSITS: Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current law, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant, in compliance with the Civil Code.

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

Reviewed by
Broker or Designee _____ Date _____



LIQUIDATED DAMAGES: If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages for breach of contract, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, signed release instructions from both Buyer and Seller, judicial decision or arbitration award.

BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION FOR ANY INCREASED DEPOSIT (C.A.R. FORM RID-11).

Buyer's initials *J* Seller's initials *BI*

21. DISPUTE RESOLUTION:

A. MEDIATION: Buyer and Seller 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. Paragraphs 21B(2) and (3) below apply whether or not the Arbitration provision is initialed. 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 commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. **THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.**

B. ARBITRATION OF DISPUTES: (1) Buyer and Seller 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, including and subject to paragraphs 21 B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional Law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.

(2) **EXCLUSIONS FROM MEDIATION AND ARBITRATION:** 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; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death, or any right of action to which Code of Civil Procedure §337.1 or §337.15 applies. 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, shall not constitute a violation of the mediation and arbitration provisions.

(3) **BROKERS:** Buyer and Seller agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration prior to, or within a reasonable time after, the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the Agreement.

"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 *J* Seller's initials *BI*

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Seller's Initials (*BI*) (_____)

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Broker or Designee _____ Date _____



22. **PRORATIONS OF PROPERTY TAXES & OTHER ITEMS:** Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, OA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments, and OA 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. 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. Exceptions to Prorations: _____

23. **WITHHOLDING TAXES:** Seller and Buyer agree to execute any instrument, affidavit, statement or instruction reasonably necessary to comply with federal (FIRPTA) and California withholding Law, if required (C.A.R. Forms AS-11 and AB-11).

24. **PROPERTY DATA SYSTEM:** Brokers are authorized to report the terms of this transaction to any Property Data System, to be published and disseminated to persons and entities authorized to use the information on terms approved by the Property Data System.

25. **EQUAL OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Law.

26. **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 21A.

27. **SELECTION OF SERVICE PROVIDERS:** If Brokers give Buyer or Seller referrals to persons, vendors, or service or product providers ("Providers"), Brokers do not guarantee the performance of any of those Providers. Buyer and Seller may select ANY Providers of their own choosing.

28. **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. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**

29. **ASSIGNMENT:** Buyer shall not assign all or any part of Buyer's interests in this Agreement without first having obtained the written consent of Seller. Such consent shall not be unreasonably withheld, unless otherwise agreed in writing. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement.

30. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon, and inure to the benefit of, Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.

31. **COPIES:** Seller and Buyer each represent that Copies of all reports, documents, certificates, approvals, and other documents that are furnished to the other are true, correct, and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.

32. **GOVERNING LAW:** This Agreement shall be governed by the Laws of the state of California.

33. **AUTHORITY:** Any person or persons signing this Agreement represent(s) that such person has full power and authority to bind that person(s) principal, and that the designated Buyer and Seller have full authority to enter into and perform this Agreement. Entering into this Agreement, and the completion of the obligations pursuant to this contract, does not violate any Articles of Incorporation, By Laws, Partnership Agreement, or other document governing the activity of either Buyer or Seller.

34. **OTHER TERMS AND CONDITIONS, including ATTACHED SUPPLEMENTS:**

A. Buyer Inspection Advisory (C.A.R. Form BIA-11) _____

B. Purchase Agreement Addendum (C.A.R. Form PAA-11 paragraph numbers: _____) _____

C. Seller Financing Addendum and Disclosure (C.A.R. Form SFA-11) _____

D. Intent To Exchange Supplement (C.A.R. Form ES-14) _____

E. Purchase is subject to and contingent upon approval of the Bankruptcy Court

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

Reviewed by _____ Date _____
 Broker or Designee _____



Lined area for notes or signatures.

35. NOTICES: Whenever notice is given under this Agreement, each notice shall be in writing, and shall be delivered personally, by facsimile, or by mail, postage prepaid. Notice shall be delivered to the address set forth below the recipient's signature of acceptance. Either party may change its notice address by providing notice to the other party.

36. DEFINITIONS: As used in this Agreement:
- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by the other party and communicated in accordance with this Agreement or the terms of the final counter offer.
 - B. "Agreement" means the terms and conditions of this Commercial Property Purchase Agreement and any counter offer and addenda.
 - C. "Days" means calendar days, unless otherwise required by Law.
 - D. "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 11:59PM on the final day.
 - E. "Close Of Escrow" means the date the grant deed is recorded or other evidence of title is transferred. If scheduled close of escrow falls on a Saturday, Sunday or legal holiday, then the close of escrow date shall be the next business day after the scheduled close of escrow date.
 - F. "Copy" means copy by any means, including photocopy, NCR, facsimile and electronic.
 - G. "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.
 - H. "Repairs" means any repairs (including pest control), alterations, replacements, modifications and retrofitting of the Property provided for under this Agreement.
 - I. "Signed" means either a handwritten or electronic signature.
 - J. Singular and Plural terms each include the other, when appropriate.
 - K. "C.A.R. Form" means the specific form referenced, or another comparable form agreed to by the parties.
 - L. "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 one to modify or alter the content or integrity of the Agreement without the knowledge and consent of the other.

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Seller's Initials () ()

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Broker or Designee _____



37. AGENCY:

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

B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction: Listing Agent Jacobson Realty Inc. (Print Firm Name) is the agent of (check one): the Seller exclusively; or both Buyer and Seller. Selling Agent Coldwell Banker/ Property Shoppe (Print Firm Name) (if not same as Listing Agent) is the agent of (check one): the Buyer exclusively; or the Seller exclusively; or both Buyer and Seller. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

C. BROKERAGE: Neither Buyer nor Seller has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as specified in this Agreement, in connection with any act relating to the Property, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this Agreement. Buyer and Seller each agree to indemnify, defend, and hold harmless the other, the Brokers specified herein, and their agents, from and against any costs, expenses or liability for compensation claimed inconsistent with the warranty and representations in this paragraph.

38. 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 relating counter offers and addenda, and any additional mutual instructions to close the transaction: 1, 2, 4, 14, 15E, 19, 22, 23, 28, 29, 34B, C, D and E, 36, 38, 40, 42A, and 43. The terms and conditions of the 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 directly from Escrow Holder and will execute such provisions upon Escrow Holder's request. 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 complete this transaction.

B. A Copy of this Agreement shall be delivered to Escrow Holder within 3 business days after Acceptance (or _____). Escrow will be deemed open when Escrow Holder has Signed an acknowledgement of receipt of a Copy of this accepted Agreement. 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 the Agreement.

C. Brokers are a party to the Escrow for the sole purpose of compensation pursuant to paragraphs 40 and 42A. Buyer and Seller irrevocably assign to Brokers compensation specified, respectively, in paragraphs 40 and 42A and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow. Compensation instructions can be amended or revoked only with the written consent of Brokers.

39. Buyer and Seller acknowledge and agree that: (i) Brokers do not decide what price Buyer should pay or Seller should accept; (ii) Brokers do not guarantee the performance or Repairs of others who have provided services or products to Buyer or Seller; and (iii) they will seek legal, tax, insurance, title and other desired assistance from appropriate professionals. Buyer and Seller further acknowledge and agree that Brokers: (i) do not guarantee the condition of the Property; (ii) shall not be responsible for defects that are not known to Broker(s); (iii) cannot identify Property boundary lines; (iv) cannot verify inspection reports, square footage or representations of others; (v) cannot provide legal or tax advice; and (vi) will not provide other advice or information that exceeds the knowledge, education and experience required to obtain a real estate license.

40. BROKER COMPENSATION FROM BUYER: Upon Close Of Escrow, Buyer agrees to pay compensation for services as follows: 2% listing and 2% selling commission to Jacobson Realty Inc. and Coldwell Banker, Broker.

41. TERMS AND CONDITIONS OF OFFER: This is an offer to purchase the Property on the above terms and conditions. All paragraphs with spaces for initials by Buyer and Seller are incorporated in this Agreement only if initialed by all parties. If at least one but not all parties initial, a counter offer is required until agreement is reached. Unless Acceptance of offer is Signed by Seller, and a Copy of the Signed offer is personally received by Buyer, or by Jerry Michaels/Coldwell Banker, who is authorized to receive it, by (date) 06/12/2002, at 5:00 AM PM, the offer shall be deemed revoked and the deposit shall be returned. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to communication of Acceptance as above.

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Buyer and Seller acknowledge receipt of a copy of this page.

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

Reviewed by _____ Date _____
Broker or Designee _____ Date _____



Buyer has read and acknowledges receipt of a Copy of the offer and agrees to the above information 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.

BUYER _____ Date JUNE 11/02
By _____
Name Printed Jim Exon
Title _____
Address P.O. Box 1445
Ojai, Ca 93023
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

BUYER _____ Date _____
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

42. BROKER COMPENSATION FROM SELLER:

A. Upon Close Of Escrow, Seller agrees to pay compensation for services as follows:
_____ to Jacobson Realty Inc., Broker, and
_____ to Coldwell Banker/ Property Shoppe, Broker, and
(if checked) an administrative/transaction fee of \$ _____ to _____ Broker
(or, if not completed, as per listing agreement).

B. (1) If escrow does not close, compensation in paragraph 42A is payable: (I) upon Seller's default if completion of sale is prevented by default of Seller; or (II) when and if Seller collects damages from Buyer, by suit or otherwise, if completion of sale is prevented by default of Buyer and then in an amount equal to one-half of the damages recovered, but not to exceed the above compensation, after first deducting title and escrow expenses and the expenses of collection, if any. (2) In any action, proceeding or arbitration relating to the payment of compensation in paragraph 42A or B, the prevailing party shall be entitled to reasonable attorney fees and costs, except as provided in paragraph 21A.

43. 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, agrees to sell the Property on the above terms and conditions, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to deliver a Signed Copy to Buyer.
 (if checked) SUBJECT TO ATTACHED COUNTER OFFER, DATED 6-12-02

SELLER _____ Date 6/12/02
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

SELLER _____ Date _____
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

Agency relationships are confirmed as above. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

Agent who submitted offer for Buyer acknowledges receipt of deposit, if any, if specified in paragraph 2A:
Real Estate Broker (Selling Firm Name) Coldwell Banker/ Property Shoppe By Jimmy Michael Date 6/12/02
Address 727 W. Ojai Ave. Phone/Fax/Email 805-646-7288 x107
Real Estate Broker (Listing Firm Name) Jacobson Realty Inc. By Sara Jeseland Date 6-12-02
Address 445 Rosewood Ave. ste. J, Camarillo Phone/Fax/Email 805-389-4747

(____/____/____) **ACKNOWLEDGMENT OF RECEIPT:** Buyer or authorized agent acknowledges receipt of Signed Acceptance on (Initials) (date) _____, at _____ AM PM.

Escrow Holder Acknowledgment:
Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, a deposit in the amount of \$ 5,000.00), counter offer numbers -1- and BIA, and agrees to act as Escrow Holder subject to paragraph 38 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.
The date of communication of Acceptance of the Agreement as between Buyer and Seller is 6/12/02
Escrow Holder Chico's Title Company Escrow # 24043566
By Lexi Howard Date 6/12/02
1727-D East Daily Dr. Phone/Fax/E-mail 805-987-0481
Address Camarillo CA 93010
Escrow Holder is licensed by the California Department of Corporations, Insurance, Real Estate, License # 350

THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION: A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.
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525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____
Broker or Designee _____ Date _____





Property Address: 443/445 El Roblar, Ojai (unincorporated, Ca 93023

("Property")

(The definitions in C.A.R. Form RPA-11 are applicable to this Form BIA-11.)

A. IMPORTANCE OF PROPERTY INSPECTION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, you should conduct thorough inspections of the Property personally and with professionals 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 the professionals recommend further investigation, tests or 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 investigations, tests or 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 the investigation and verification of information and facts that you know or are within your diligent attention and observation. The purchase agreement gives you the right to inspect the Property. If you exercise these rights, 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. You have the right to request that Seller make Repairs, corrections or take other action based upon items discovered in your inspections or disclosed by Seller. If Seller is unwilling or unable to satisfy your requests, and you do not want to purchase the Property in its disclosed and discovered condition, you have the right to cancel the Agreement. If you do not timely and properly cancel the Agreement if you do not perform on the contract because of the condition of the Property, you may be in breach of contract.

C. SELLER RIGHTS AND DUTIES: Seller is required to disclose to you all material facts known to him/her that affect the value or desirability of the Property. However, Seller may not be aware of some Property defects or conditions. Seller does not have an obligation to inspect the Property for your benefit nor is Seller obligated to repair, correct or otherwise cure known defects that are disclosed to you or previously unknown defects that are discovered by you or your inspectors during escrow. The purchase agreement obligates Seller to make the Property available to you for inspections.

D. BROKER OBLIGATIONS: Brokers do not have expertise and therefore cannot advise you on many items, such as soil stability, geologic conditions, hazardous substances, structural conditions of the foundation or other improvements, or the condition of the roof, heating, air conditioning, plumbing, electrical, sewer, septic, waste disposal, or other system. The only way to accurately determine the condition of the Property is through an inspection by an appropriate professional selected by you. If Broker gives you referrals to such professionals, Broker does not guarantee their performance. You may select any professional of your choosing. In sales involving residential dwellings with no more than four units, Brokers have a duty to make a diligent visual inspection of the accessible areas of the Property, and to disclose the results of that inspection. However, as some Property defects or conditions may not be discoverable from a visual inspection, it is possible Brokers are not aware of them. If you have entered into a written agreement with a Broker, the specific terms of that agreement will determine the nature and extent of that Broker's duty to you. 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.

E. YOU ARE ADVISED TO CONDUCT INSPECTIONS OF THE ENTIRE PROPERTY, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:

1. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS: Foundation, roof, plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa, and other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property. (Structural engineers are best suited to determine possible design or construction defects, and whether improvements are structurally sound.)
2. 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 and cannot be verified by Brokers. Fences, hedges, walls, retaining walls, and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. (Professionals such as appraisers, architects, surveyors, or civil engineers are best suited to determine square footage, dimensions and boundaries of the Property.)
3. PEST CONTROL: Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms and other infestation or infection. (A registered structural pest control company is best suited to perform these inspections.)

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Buyer acknowledges receipt of a copy of this page.

Buyer's Initials () ()



Reviewed by _____ Date _____
Broker or Designee _____

REVISION DATE 10/2000
BIA-11 (PAGE 1 OF 2)

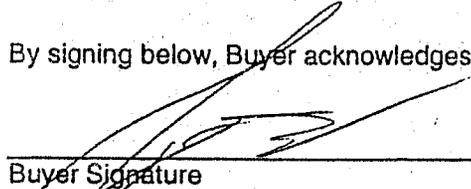
BUYER'S INSPECTION ADVISORY (BIA-11 PAGE 1 OF 2)

Agent: Char & Jerry Michaels
Broker: Coldwell-Banker Prop Shoppe 727 W OJAI AVE, OJAI, CA 93023 Prepared using WINForms® software

4. **SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage. (Geotechnical engineers are best suited to determine such conditions, causes, and remedies.)
5. **ROOF:** Present condition, age, leaks, and remaining useful life. (Roofing contractors are best suited to determine these conditions.)
6. **POOL/SPA:** Cracks, leaks or operational problems. (Pool contractors are best suited to determine these conditions.)
7. **WASTE DISPOSAL:** Type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
8. **WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS:** Water and utility availability, use restrictions, and costs. Water quality, adequacy, condition, and performance of well systems and components.
9. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel, oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances including mold (airborne, toxic or otherwise), fungus or similar contaminant, materials, products, or conditions. (Read the booklets "Environmental Hazards: A Guide for Homeowners and Buyers," "Protect Your Family From Lead in Your Home," or consult an appropriate professional.)
10. **EARTHQUAKE AND FLOOD; HAZARD AND OTHER INSURANCE:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood. These and other conditions including age of Property may affect the availability and need for certain types of insurance. Since the time it may take to obtain certain types of insurance may vary, Buyer should not wait to explore these options. (An Insurance agent, Geologist, or Geotechnical Engineer is best suited to provide information on these conditions.)
11. **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. (Such information is available through appropriate governmental agencies and private information providers. Brokers are not qualified to review, or interpret any such information.)
12. **RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that may limit the rent, the maximum number of occupants, and the right 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. (Local government agencies can provide information about these restrictions and other requirements.)
13. **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. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property will not be in compliance with these requirements. (Local government agencies can provide information about these restrictions and other requirements.)
14. **NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other governmental services, availability, adequacy and the cost of any speed wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, 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.

Buyer acknowledges and agrees that Brokers: (a) do not guarantee the condition of the Property; (b) shall not be responsible for defects that are not known to Broker(s) or are not visually observable in reasonably and normally accessible areas of the Property; (c) have not verified square footage, representations made by others, or other information contained in inspection reports, Multiple Listing Service, advertisements, flyers, or other promotional material, unless otherwise agreed in writing; (d) do not guarantee the performance of others who have provided services or products to Buyer or Seller; (e) do not guarantee the adequacy or completeness of Repairs made by Seller or others; (f) cannot identify Property boundary lines; and (g) do not decide what price a buyer should pay or a seller should accept. Buyer agrees to seek desired assistance from appropriate professionals.

By signing below, Buyer acknowledges receipt of a Copy of this document. Buyer is encouraged to read it carefully.


JUNE 11 / 02

Buyer Signature _____ Date _____ Buyer Signature _____ Date _____

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Reviewed by _____ Date _____
 Broker or Designee _____



REVISION DATE 10/2000
 BIA-11 (PAGE 2 OF 2)

BUYER'S INSPECTION ADVISORY (BIA-11 PAGE 2 OF 2)

1727 DAILY DRIVE, SUITE 200, CAMARILLO, CA 93010
(805)987-0481 Fax (805)987-0633

Escrow No. 24043568 - J30

Escrow Officer Lexi Howard

Date August 21, 2002

Property: 505 & 585 El Roblar Dr. & 111 Alvarado, Ojai, CA 93023

1. The Commercial Property Purchase Agreement and Joint Escrow Instructions under your Escrow No. 024043568
2. and any amendments and/or supplements thereto, are hereby amended and/or supplemented as follows:
- 3.
4. The undersigned buyer hereby removes all contingencies with the exception of the following attachment, the terms and conditions of which are hereby incorporated by reference hereto.
- 5.
- 6.
- 7.
8. ALL OTHER TERMS AND CONDITIONS ARE TO REMAIN THE SAME.
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Frederick W. Kosmo

Melners Oaks L.L.C.

BY _____

BY _____

On or before 8/26/02, Seller to provide Buyer with a completed mold disclosure in order for Buyer to proceed with obtaining an insurance quote for property.

On or before 8/26/02;

1. Buyer to be allowed to contact tenants directly for completion of pest control reports on units 505, 525, 555 and 585 El Roblar.
2. Buyer to be provided with signed estoppel certificates from "all" tenants.

Upon receipt and approval of the preceding and vacating of units 505 and 525 El Roblar by the tenants, the Buyers are prepared to remove all contingencies and escrow is to close immediately upon approval by the bankruptcy court.

The buyer is hereby amended to Meiners Oaks L.L.C. Prior to close of escrow, buyer shall provide Chicago Title Company with evidence of the formation of same, including but not limited to a copy of the Operating Agreement and a Secretary of State certified copy of the LLC-1 for recording at close of escrow.

Seller is aware that Jerry and Charleen Michaels, California Real Estate Brokers are participating as buyers with Jim and Kim Exon, as part of the above LLC.

Frederick W. Kosmo

Meiners Oaks L.L.C.

BY _____

BY _____

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805)987-0481 Fax (805)987-0633

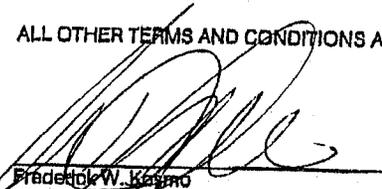
Escrow No. 24043568 - J30

Escrow Officer Lexi Howard

Date August 21, 2002

Property: 505 & 585 El Roblar Dr. & 111 Alvarado, Ojai, CA 93023

1. The Commercial Property Purchase Agreement and Joint Escrow Instructions under your Escrow No. 024043568
2. and any amendments and/or supplements thereto, are hereby amended and/or supplemented as follows:
- 3.
4. The undersigned buyer hereby removes all contingencies with the exception of the following attachment, the terms
5. and conditions of which are hereby incorporated by reference hereto.
- 6.
- 7.
8. ALL OTHER TERMS AND CONDITIONS ARE TO REMAIN THE SAME.
- 9.

10.
11.
12.
13.
14. 
15. Frederick W. Keenan

17. Melners Oaks L.L.C.

21. BY _____

24. BY _____

On or before 8/26/02, Seller to provide Buyer with a completed mold disclosure in order for Buyer to proceed with obtaining an insurance quote for property.

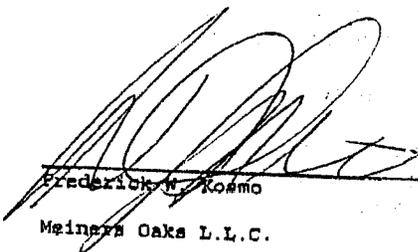
On or before 8/26/02;

1. Buyer to be allowed to contact tenants directly for completion of pest control reports on units 505, 525, 555 and 585 El Roblar.
2. Buyer to be provided with signed estoppel certificates from "all" tenants.

Upon receipt and approval of the preceding and vacating of units 505 and 525 El Roblar by the tenants, the Buyers are prepared to remove all contingencies and escrow is to close immediately upon approval by the bankruptcy court.

The buyer is hereby amended to Meiners Oaks L.L.C. Prior to close of escrow, buyer shall provide Chicago Title Company with evidence of the formation of same, including but not limited to a copy of the Operating Agreement and a Secretary of State certified copy of the LLC-1 for recording at close of escrow.

Seller is aware that Jerry and Charleen Michaels, California Real Estate Brokers are participating as buyers with Jim and Kim Exon, as part of the above LLC.


Frederick W. Roemo

Meiners Oaks L.L.C.

BY _____

BY _____



CHICAGO TITLE COMPANY

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010

(805) 987-0481 Fax: (805) 987-0633

Escrow No: 24043568 - J30

Escrow Officer: Lexi Howard

Prior to the close of your escrow, you will need to provide us with how you wish to hold title to the real property you are purchasing. For your convenience, you may use the lower portion of this letter to indicate the exact name and manner of title.

If you have any questions concerning this form, please do not hesitate to give us a call. If you have any questions or concerns regarding how you should hold title, please consult your attorney.

By: Lexi Howard
Escrow Officer

TO:

Title to the real property I/we are acquiring shall vest in the manner indicated below.

MEINERS OAKS, LLC Jim Exon, Managing Director
(please print name(s) as you will sign)

- Husband and Wife, as Joint Tenants
Husband and Wife, as Community Property
Husband and Wife, as Community Property with Right of Survivorship
Husband and Wife, as Tenants In Common
An Unmarried Man (divorced)
An Unmarried Woman (divorced)
A Married Man As His Sole and Separate Property (Quitclaim Deed will be required from Spouse)
A Married Woman As Her Sole and Separate Property (Quitclaim Deed will be required from Spouse)
A Single Man (never married)
A Single Woman (never married)
A Widow
A Widower
as to an undivided % Interest
A TRUST AS FOLLOWS:

(exact names of the trustees and name and date of the trust)
A FULL COPY OF THE TRUST MAY BE REQUIRED

Other:

Escrow holder is authorized to complete the Grant Deed and all pertinent documents, prior to close of escrow in accordance with same.

Signature of Jim Exon, Managing Director

Signature lines for other parties

Buyer has read and acknowledges receipt of a Copy of the offer and agrees to the above information 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.

BUYER _____ Date JUNE 11/02
By _____
Name Printed Jim Exon
Title _____
Address P.O. Box 1445
Ojai, Ca 93023
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

BUYER _____ Date _____
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

42. BROKER COMPENSATION FROM SELLER:

A. Upon Close Of Escrow, Seller agrees to pay compensation for services as follows:
2% of sales price to Jacobson Realty Inc. Broker, and
2% of sales price to Coldwell Banker/ Property Shoppe Broker, and
(if checked) an administrative/transaction fee of \$ _____ to _____ Broker
(or, if not completed, as per listing agreement).

B. (1) If escrow does not close, compensation in paragraph 42A is payable: (i) upon Seller's default if completion of sale is prevented by default of Seller; or (ii) when and if Seller collects damages from Buyer, by suit or otherwise, if completion of sale is prevented by default of Buyer and then in an amount equal to one-half of the damages recovered, but not to exceed the above compensation, after first deducting title and escrow expenses and the expenses of collection, if any; (2) In any action, proceeding or arbitration relating to the payment of compensation in paragraph 42A or B, the prevailing party shall be entitled to reasonable attorney fees and costs, except as provided in paragraph 21A.

43. 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, agrees to sell the Property on the above terms and conditions, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to deliver a Signed Copy to Buyer.
(if checked) **SUBJECT TO ATTACHED COUNTER OFFER, DATED** June 12, 2002

SELLER _____ Date 6/12/02
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

SELLER _____ Date _____
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

Agency relationships are confirmed as above. Real Estate Brokers are not parties to the Agreement between Buyer and Seller. Agent who submitted offer for Buyer acknowledges receipt of deposit, if any, if specified in paragraph 2A:

Real Estate Broker (Selling Firm Name) Coldwell Banker/ Property Shoppe By Jerry M. Hank Date 6/12/02
Address 727 W. Ojai Ave. Phone/Fax/Email 805-646-7288 x107
Real Estate Broker (Listing Firm Name) Jacobson Realty Inc. By Jerry M. Hank Date 6-12-02
Address 445 Rosewood Ave. ste. J, Camarillo Phone/Fax/Email 805-389-4747

() **ACKNOWLEDGMENT OF RECEIPT:** Buyer or authorized agent acknowledges receipt of Signed Acceptance on (Initials) _____ (date) _____, at _____ AM PM.

Escrow Holder Acknowledgment:
Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, a deposit in the amount of \$ 10,000.00), counter offer numbers _____ and BIA, and agrees to act as Escrow Holder subject to paragraph 38 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions. The date of communication of Acceptance of the Agreement as between Buyer and Seller is 6/12/02
Escrow Holder Chicago Title Company Escrow # 24043568
By Lexi Howard Date 6/28/02
Address 1727-D East Daily Dr. Camarillo CA 93010 Phone/Fax/E-mail 805-987-0481
Escrow Holder is licensed by the California Department of Corporations, Insurance, Real Estate, License # 350

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525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____
Broker or Designee _____ Date _____





Property Address: 505/585 El Roblar, Ojai (unincorporated, Ca 93023

("Property")

(The definitions in C.A.R. Form RPA-11 are applicable to this Form BIA-11.)

A. IMPORTANCE OF PROPERTY INSPECTION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, you should conduct thorough inspections of the Property personally and with professionals 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 the professionals recommend further investigation, tests or 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 investigations, tests or 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 the investigation and verification of information and facts that you know or are within your diligent attention and observation. The purchase agreement gives you the right to inspect the Property. If you exercise these rights, 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. You have the right to request that Seller make Repairs, corrections or take other action based upon items discovered in your inspections or disclosed by Seller. If Seller is unwilling or unable to satisfy your requests, and you do not want to purchase the Property in its disclosed and discovered condition, you have the right to cancel the Agreement. If you do not timely and properly cancel the Agreement if you do not perform on the contract because of the condition of the Property, you may be in breach of contract.

C. SELLER RIGHTS AND DUTIES: Seller is required to disclose to you all material facts known to him/her that affect the value or desirability of the Property. However, Seller may not be aware of some Property defects or conditions. Seller does not have an obligation to inspect the Property for your benefit nor is Seller obligated to repair, correct or otherwise cure known defects that are disclosed to you or previously unknown defects that are discovered by you or your inspectors during escrow. The purchase agreement obligates Seller to make the Property available to you for inspections.

D. BROKER OBLIGATIONS: Brokers do not have expertise and therefore cannot advise you on many items, such as soil stability, geologic conditions, hazardous substances, structural conditions of the foundation or other improvements, or the condition of the roof, heating, air conditioning, plumbing, electrical, sewer, septic, waste disposal, or other system. The only way to accurately determine the condition of the Property is through an inspection by an appropriate professional selected by you. If Broker gives you referrals to such professionals, Broker does not guarantee their performance. You may select any professional of your choosing. In sales involving residential dwellings with no more than four units, Brokers have a duty to make a diligent visual inspection of the accessible areas of the Property, and to disclose the results of that inspection. However, as some Property defects or conditions may not be discoverable from a visual inspection, it is possible Brokers are not aware of them. If you have entered into a written agreement with a Broker, the specific terms of that agreement will determine the nature and extent of that Broker's duty to you. **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.**

E. YOU ARE ADVISED TO CONDUCT INSPECTIONS OF THE ENTIRE PROPERTY, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:

- 1. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof, plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa, and other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property. (Structural engineers are best suited to determine possible design or construction defects, and whether improvements are structurally sound.)
- 2. 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 and cannot be verified by Brokers. Fences, hedges, walls, retaining walls, and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. (Professionals such as appraisers, architects, surveyors, or civil engineers are best suited to determine square footage, dimensions and boundaries of the Property.)
- 3. PEST CONTROL:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms and other infestation or infection. (A registered structural pest control company is best suited to perform these inspections.)

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REVISION DATE 10/2000
BIA-11 (PAGE 1 OF 2)

Buyer acknowledges receipt of a copy of this page.

Buyer's Initials () ()

Reviewed by	_____	Date	_____
Broker or Designee	_____	Date	_____



BUYER'S INSPECTION ADVISORY (BIA-11 PAGE 1 OF 2)

Agent: Char & Jerry Michaels
Broker: Coldwell-Banker Prop Shoppe 727 W OJAI AVE, OJAI, CA 93023 Prepared using WINForms® software

4. **SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage. (Geotechnical engineers are best suited to determine such conditions, causes, and remedies.)
5. **ROOF:** Present condition, age, leaks, and remaining useful life. (Roofing contractors are best suited to determine these conditions.)
6. **POOL/SPA:** Cracks, leaks or operational problems. (Pool contractors are best suited to determine these conditions.)
7. **WASTE DISPOSAL:** Type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
8. **WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS:** Water and utility availability, use restrictions, and costs. Water quality, adequacy, condition, and performance of well systems and components.
9. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel, oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances including mold (airborne, toxic or otherwise), fungus or similar contaminant, materials, products, or conditions. (Read the booklets "Environmental Hazards: A Guide for Homeowners and Buyers," "Protect Your Family From Lead in Your Home," or consult an appropriate professional.)
10. **EARTHQUAKE AND FLOOD; HAZARD AND OTHER INSURANCE:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood. These and other conditions including age of Property may affect the availability and need for certain types of insurance. Since the time it may take to obtain certain types of insurance may vary, Buyer should not wait to explore these options. (An Insurance agent, Geologist, or Geotechnical Engineer is best suited to provide information on these conditions.)
11. **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. (Such information is available through appropriate governmental agencies and private information providers. Brokers are not qualified to review, or interpret any such information.)
12. **RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that may limit the rent, the maximum number of occupants, and the right 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. (Local government agencies can provide information about these restrictions and other requirements.)
13. **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. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property will not be in compliance with these requirements. (Local government agencies can provide information about these restrictions and other requirements.)
14. **NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other governmental services, availability, adequacy and the cost of any speed wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, 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.

Buyer acknowledges and agrees that Brokers: (a) do not guarantee the condition of the Property; (b) shall not be responsible for defects that are not known to Broker(s) or are not visually observable in reasonably and normally accessible areas of the Property; (c) have not verified square footage, representations made by others, or other information contained in inspection reports, Multiple Listing Service, advertisements, flyers, or other promotional material, unless otherwise agreed in writing; (d) do not guarantee the performance of others who have provided services or products to Buyer or Seller; (e) do not guarantee the adequacy or completeness of Repairs made by Seller or others; (f) cannot identify Property boundary lines; and (g) do not decide what price a buyer should pay or a seller should accept. Buyer agrees to seek desired assistance from appropriate professionals.

By signing below, Buyer acknowledges receipt of a Copy of this document. Buyer is encouraged to read it carefully.

Buyer Signature _____

Date _____

Buyer Signature _____

Date _____

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 525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____ Date _____
 Broker of Designee _____



MEMORANDUM OF INSTRUCTIONS TO PAY COMMISSION



TO: CHICAGO TITLE COMPANY, licensed by the California Department of Insurance

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805) 987-0481 Fax (805) 987-0633

Escrow No. 24043568 - J30 Escrow Officer Lexi Howard

Date June 28, 2002

Property: 505 & 585 El Roblar Dr. & 111 Alvarado, Ojai, CA 93023

Upon close of the above referenced escrow, and from final proceeds due Seller(s) thereunder, Escrow Holder has received instructions to pay commission as follows:

Jacobson Realty, Inc. \$13,000.00
a licensed real estate broker, the sum of

AND ALSO PAY

Coldwell Banker Property Shoppe \$13,000.00
a licensed real estate broker, the sum of

TO PAY A TOTAL COMMISSION OF \$26,000.00

Unless you are given contrary written instructions by the named Broker, Agent, employee or representative of said Broker, when this escrow is closed please mail payment to the corresponding address shown below.

Receipt Acknowledged:

Jacobson Realty, Inc.

Coldwell Banker Property Shoppe

By: _____
Broker Signature

By: J. Michaels for Peterson
Broker Signature

License No.: _____

License No.: 00969542

Address: 445 Rosewood Avenue, Suite J
Camarillo, CA 93010

Address: 727 W. Ojai Avenue
Ojai, CA 93023

Telephone: (805) 389-4747

Telephone: (805) 646-7288

Agent: Lynn J. Osslund

Agent: Jerry Michaels



TO: CHICAGO TITLE COMPANY, licensed by the California Department of Insurance

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805) 987-0481 Fax (805) 987-0633

Escrow No. 24043568 - J30 Escrow Officer Lexi Howard

Date June 28, 2002

Property: 505 & 585 El Roblar Dr. & 111 Alvarado, Ojai, CA 93023

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Jacobson Realty, Inc. \$13,000.00
a licensed real estate broker, the sum of

AND ALSO PAY

Coldwell Banker Property Shoppe \$13,000.00
a licensed real estate broker, the sum of

TO PAY A TOTAL COMMISSION OF \$26,000.00

Unless you are given contrary written instructions by the named Broker, Agent, employee or representative of said Broker, when this escrow is closed please mail payment to the corresponding address shown below.

Receipt Acknowledged:

Jacobson Realty Inc.

Coldwell Banker Property Shoppe

By: *Lynn Osslund*
Broker Signature

By: _____
Broker Signature

License No.: 00623752

License No.: _____

Address: 445 Rosewood Avenue, Suite J
Camarillo, CA 93010

Address: 727 W. Ojai Avenue
Ojai, CA 93023

Telephone: (805) 389-4747

Telephone: (805) 646-7288

Agent: Lynn J. Osslund

Agent: Jerry Michaels



Date June 12, 2002, at Camarillo, California. This is a counter offer to the: [] Residential Purchase Agreement, [] Counter Offer, [X] Other Com1 Prop Purchase Agrmt ("Offer"), dated June 11, 2002, regarding 505/585 El Roblar and 111 Alvarado, Ojai ("Property"), between Jim Exon ("Buyer"), and Frederick Kosmo ("Seller").

- 1. TERMS: The terms and conditions of the above referenced document are accepted subject to the following: A. Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer. B. Unless otherwise specified in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer. C. 1) Interest rate on note carried back by Seller to be 8%. In the event Buyer wishes to pay down the principal during the 5 year term on said note, Buyer shall prepay no more than 20% principal in any 1 year. Due on sale clause to be included in said note. (Ref #2C of original offer), Purchaser to be Jim Exon and/or nominee. 2) Seller does not have in his possession any surveys, plans, engineering, permits, or approvals pertaining to the subject property. Seller is unaware if structural additions or modifications may or may not have been made over the years. Buyer is aware that these structures are older and Buyer is purchasing these properties in AS IS condition. Buyer shall make any inspections to satisfy self as to the current condition of the property. (Ref #5 of original offer) 3) Seller shall have 15 days to provide information to Buyer per #15A(1) of original offer. Paragraph 15A2 of purchase contract to be 30 days. 4) Seller reserves the right to make a 1031 tax free exchange and Buyer to cooperate with Seller in making said exchange at no added cost or liability to Buyer. 5) Paragraph #40 of original offer is deleted in its entirety. D. The following attached addenda/supplements are incorporated in this Counter Offer: [] Contract Addendum No. []

- 2. RIGHT TO ACCEPT OTHER OFFERS: Seller reserves the right to continue to offer the Property for sale or for other transaction, and to accept any other offer at any time prior to communication of acceptance, as described in paragraph 3. If this is a Seller Counter Offer, Seller's acceptance of another offer prior to Buyer's acceptance and communication of acceptance of this Counter Offer, shall revoke this Counter Offer. 3. EXPIRATION: Unless acceptance of this Counter Offer is Signed by the Buyer or Seller to whom it is sent, and communication of acceptance is made by delivering a Signed Copy, which is personally received, to the person making this Counter Offer or to Lynn Oslund or Jess Johnson, by 5:00 PM on the third calendar day after this Counter Offer is written (or, if checked, [] date: June 12, 2002, time 6:00 [] AM [X] PM), this Counter Offer shall be deemed revoked and the deposit shall be returned to Buyer. This Counter Offer may be executed in counterparts.

- 4. [] (If Checked:) MULTIPLE COUNTER OFFER: Seller is making a Counter Offer(s) to another prospective buyer(s) on terms that may or may not be the same as in this Counter Offer. Acceptance of this Counter Offer by Buyer shall not be binding unless and until it is subsequently re-Signed by Seller in paragraph 7 below and communication of Seller's acceptance is made by delivering a Signed Copy, in person, by mail or by facsimile, which is personally received, to Buyer or to [] Prior to the completion of all of these events, Buyer and Seller shall have no duties or obligations for the purchase or sale of the Property.

5. OFFER: BUYER OR SELLER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY. Date: [] Date: []

6. ACCEPTANCE: I/WE accept the above Counter Offer (If checked [] SUBJECT TO THE ATTACHED COUNTER OFFER) and acknowledge receipt of a Copy. Date: [] Time: [] AM [] PM Date: [] Time: [] AM [] PM

7. MULTIPLE COUNTER OFFER SIGNATURE LINE: By signing below, Seller accepts this Multiple Counter Offer. NOTE TO SELLER: Do NOT sign in this box until after Buyer signs in paragraph 6.) (Paragraph 7 applies only if paragraph 4 is checked.) Date: [] Time: [] AM [] PM Date: [] Time: [] AM [] PM

8. ([]) (Initials) ACKNOWLEDGMENT OF RECEIPT: The maker of the Counter Offer, or that person's authorized agent as specified in paragraph 3, (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent as specified in paragraph 4) acknowledges receipt of a Signed Copy of this Counter Offer on [] (date), at [] AM [X] PM.

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Reviewed by [] Broker or Designee [] Date []





COMMERCIAL PROPERTY PURCHASE AGREEMENT, AND JOINT ESCROW INSTRUCTIONS (AND RECEIPT FOR DEPOSIT) (NON-RESIDENTIAL)

(C.A.R. Form CPA-11, Revised 4/01)

Date June 11, 2002, at Ojai, California

- 1. OFFER: A. THIS IS AN OFFER FROM Jim Exon ("Buyer"). B. THE REAL PROPERTY TO BE ACQUIRED is described as 505/585 El Roblar and 111 Alvarado, Assessor's Parcel No. 017-0-132-090, situated in Ojai (unincorporated), County of Ventura, California. C. THE PURCHASE PRICE offered is Six Hundred Fifty Thousand Dollars \$ 650,000.00. D. CLOSE OF ESCROW shall occur 120 Days After Acceptance... 2. FINANCING: Obtaining the loans below is a contingency of this Agreement unless... A. BUYER HAS GIVEN A DEPOSIT TO THE AGENT SUBMITTING THE OFFER... B. INCREASED DEPOSIT shall be deposited by Buyer with Escrow Holder within... C. FIRST LOAN IN THE AMOUNT OF... D. SECOND LOAN IN THE AMOUNT OF... E. ADDITIONAL FINANCING TERMS... F. BALANCE OF PURCHASE PRICE... G. TOTAL PURCHASE PRICE... H. LOAN CONTINGENCY shall remain in effect until... I. NO LOAN CONTINGENCY: (If checked) Obtaining any loan in paragraphs 2C, 2D, 2E or elsewhere in this Agreement is NOT a contingency of this Agreement.

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Buyer and Seller acknowledge receipt of a copy of this page.

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

Reviewed by Broker or Designee Date



CPA-11 (PAGE 1 of 10)

- J. ALL CASH OFFER: (If checked) Money is needed to purchase the Property. Buyer shall, _____ 5 (or _____) Days After Acceptance, provide Seller written verification of sufficient funds to close this transaction. Seller may cancel this Agreement in writing within 5 Days After: (I) time to provide verification expires, if Buyer fails to provide verification, or (II) receipt of verification, if Seller reasonably disapproves it.
- K. LOAN APPLICATIONS; PREQUALIFICATION: Within 5 (or _____) Days After Acceptance, Buyer shall provide Seller a letter from lender or mortgage loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified for the NEW loan(s) indicated above. If Buyer fails to provide such letter within that time, Seller may cancel this Agreement in writing.
- L. APPRAISAL CONTINGENCY: (If checked) This Agreement is contingent upon Property appraising at no less than the specified total purchase price. If there is a loan contingency, the appraisal contingency shall remain in effect until the loan contingency is removed. If there is no loan contingency, the appraisal contingency shall be removed within 10 (or _____) Days After Acceptance.
- M. SELLER FINANCING: For any Seller financing designated above, Buyer is to execute a note secured by a deed of trust in favor of Seller, on the terms and conditions set forth in the attached addendum (C.A.R. Form SFA-11).
- N. ASSUMED OR "SUBJECT TO" FINANCING: Seller represents that Seller is not delinquent on any payments due on any loans. Seller shall, within the time specified in paragraph 15, provide copies of all applicable notes and deeds of trust, loan balances and current interest rates to Buyer. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer, and credited to Seller. Seller is advised that Buyer's assumption of an existing loan may not release Seller from liability on that loan. If Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.

3. CLOSING AND OCCUPANCY

- A. Possession and occupancy, subject to the rights of tenants under existing leases, shall be delivered to Buyer at 12:00 AM PM, on the date of Close of Escrow, on _____, or no later than _____ Days After Close Of Escrow.
- B. At Close Of Escrow, Seller assigns to Buyer any assignable warranty rights for items included in the sale and shall provide any available copies of such warranties. Brokers cannot and will not determine the assignability of any warranties.
- C. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys and/or means to operate all locks, mailboxes, security systems, alarms and garage door openers. If Property is a unit in a condominium or other common interest subdivision, Buyer may be required to pay a deposit to the Owners' Association ("OA") to obtain keys to accessible OA facilities.
- 4. ALLOCATION OF COSTS (If checked): If any of the inspections or reports in paragraph 4A, B, C and D are checked, then with regard to that item, Buyer shall have approval, removal and cancellation rights, and obligations as specified in paragraph 15.

INSPECTIONS AND REPORTS

- A. Buyer Seller shall pay for sewer connection, if required by Law prior to Close Of Escrow. _____
- B. Buyer Seller shall pay to have septic or private sewage disposal system inspected. _____
- C. Buyer Seller shall pay to have domestic wells tested for water potability and productivity. _____
- D. Buyer Seller shall pay for a natural hazard zone disclosure report prepared by _____

GOVERNMENT REQUIREMENTS AND RETROFIT

- E. Buyer Seller shall pay for smoke detector installation and/or water heater bracing, if required by Law. Prior to Close Of Escrow, Seller shall provide Buyer a written statement of compliance in accordance with state and local Law, unless exempt.
- F. Buyer Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards, inspections and reports if required as a condition of closing escrow under any Law.

ESCROW, TITLE AND OTHER COSTS

- G. Buyer Seller shall pay escrow fee. Cost to be shared 50/50 between buyer and seller
Escrow Holder shall be Chicago Escrow in Camarillo-Lexi Howard, escrow officer
- H. Buyer Seller shall pay for owner's title insurance policy specified in paragraph 14.
Owner's title policy to be issued by Chicago Title
(Buyer shall pay for any title insurance policy insuring Buyer's Lender, unless otherwise agreed.)
- I. Buyer Seller shall pay County transfer tax or transfer fee. _____
- J. Buyer Seller shall pay City transfer tax or transfer fee. _____
- K. Buyer Seller shall pay Owners' Association transfer fees. _____
- L. Buyer Seller shall pay Owners' Association document preparation fees. _____

- 5. SELLER DISCLOSURES: Within the time specified in paragraph 15, Seller, shall provide to Buyer, in writing, the following disclosures and information. Buyer shall then, within the time specified in paragraph 15, investigate the disclosures and information, and provide Seller with notice, if any, as specified in paragraph 15.
 - A. NATURAL HAZARD ZONE: Special Flood Hazard Areas; Potential Flooding (Inundation) Areas; Very High Fire Hazard Severity Zones; State Fire Responsibility Areas; Earthquake Fault Zones; Seismic Hazard Zones, or any other federal, state, or locally designated zone for which disclosure is required by Law.
 - B. PROPERTY DISCLOSURES AND PUBLICATIONS: Earthquake Guide (and disclosures), if required by Law, and Environmental Hazards Booklet.
 - C. STRUCTURAL MODIFICATIONS: Any known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.

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Buyer and Seller acknowledge receipt of a copy of this page.
 Buyer's Initials ()
 Seller's Initials ()
 Reviewed by _____ Date _____
 Broker or Designee _____



- D. **GOVERNMENTAL COMPLIANCE:** All improvements, additions, alterations, or repairs made by Seller, or known to Seller to have been made, without required governmental permits, inspections, and approvals.
 - E. **VIOLATION NOTICES:** Any notice of violations of any Law filed or issued against the Property and actually known to Seller.
 - F. **MISCELLANEOUS ITEMS:** Any of the following, if actually known to Seller: (I) any current pending lawsuit(s), investigation(s), inquiry(ies), action(s), or other proceeding(s) affecting the Property, or the right to use and occupy it; (II) any unsatisfied mechanic or materialman lien(s) affecting the Property; and (III) that any tenant of the Property is the subject of a bankruptcy.
 - G. (If checked) **CONDOMINIUM/Common Interest Subdivision:** Property is a unit in a condominium, or other common interest subdivision. Seller shall request from the OA and, upon receipt, provide to Buyer: (I) Copies of any documents required by Law; (II) disclosure of any pending or anticipated claims or litigation by or against the OA; (III) a statement containing the location and number of designated parking and storage spaces; (IV) Copies of the most recent 12 months of OA minutes for regular and special meetings, if available; and (V) the names and contact information of all OAs governing the Property.
 - H. **SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information, or representations previously provided to Buyer of which Buyer is otherwise unaware, Seller shall promptly provide a subsequent, or amended disclosure, in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports received by Buyer.
6. **SELLER DOCUMENTATION:** Within the time specified in paragraph 15, Seller shall provide Buyer the following information. Buyer shall then, within the time specified in paragraph 15, investigate the information and provide Seller with notice, if any, as specified in paragraph 15.
- A. **SURVEYS, PLANS AND ENGINEERING DOCUMENTS:** Copies of surveys, plans, specifications, and engineering documents, if any, in Seller's possession or control.
 - B. **RENTAL SERVICE AGREEMENTS:** (I) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; and (II) a rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates, or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any concession, rebate, or other benefit, except as set forth in these documents.
 - C. **INCOME AND EXPENSE STATEMENTS:** The books and records, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business, and used by Seller in the computation of federal and state income tax returns.
 - D. **ESTOPPEL CERTIFICATES:** Tenant Estoppel certificates completed by Seller or Seller's agent, acknowledging: (I) that tenants' rental or lease agreements are unmodified and in full force and effect (or if modified, stating all such modifications); (II) that no lessor defaults exist; and (III) the amount of any prepaid rent or security deposit. Tenant Estoppel certificates shall be signed by each tenant or, if a tenant does not sign, by Seller or Seller's agent, who shall indicate whether or not the signature is binding upon the tenant.
 - E. **PERMITS:** If in Seller's possession, copies of all permits and approvals concerning the Property, obtained from any governmental entity, including, but not limited to, Certificates of Occupancy, Conditional Use Permits, Development Plans, and licenses and permits pertaining to the operation of the Property.
7. (if checked) **ENVIRONMENTAL SURVEY:** Within _____ Days After Acceptance, Buyer shall be provided a phase one environmental survey report paid for and obtained by Buyer, Seller. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15.
8. **CHANGES DURING ESCROW:**
- A. Prior to Close Of Escrow, Seller may only engage in the following acts ("Proposed Changes") subject to Buyer's rights in paragraph 8B: (I) rent or lease any vacant unit or other part of the premises; (II) alter, modify, or extend any existing rental or lease agreement; (III) enter into, alter, modify or extend any service contract(s); or (IV) change the status of the condition of Property.
 - B. Seller shall give written notice to Buyer of any Proposed Changes. Buyer shall, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15, and if Buyer disapproves, Seller shall not make the Proposed Changes.
9. **CONDITION OF PROPERTY:**
- A. Unless otherwise agreed, (I) Property is sold (a) in its PRESENT physical condition on the date of Acceptance and (b) subject to Buyer inspection rights; (II) 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.
 - B. **SELLER SHALL DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS AND MAKE OTHER DISCLOSURES REQUIRED BY LAW.**
 - C. Buyer has the right to inspect the Property and, based upon information discovered in those inspections, may reasonably request that Seller make Repairs, corrections or take other action as specified in paragraph 15.
 - D. **Note to Buyer:** You are strongly advised to conduct inspections of the entire Property in order to determine its present condition since Seller may not be aware of all defects affecting the Property or other factors that you consider important. Property improvements may not be built according to codes or in compliance with current Law, or have had permits issued.
 - E. **Note to Seller:** Buyer may request that you make certain Repairs and, in the event you refuse or are unable to make those Repairs, Buyer may cancel this Agreement as specified in paragraph 15.

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

Reviewed by _____ Date _____
 Broker or Designee _____ Date _____



15. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement.

A. ORDERING, COMPLETING AND REVIEWING INSPECTIONS AND REPORTS:

- (1) SELLER HAS: 5 (or 7) Days After Acceptance, or as applicable, discovery, to order, request or complete all reports, disclosures and information for which Seller is responsible under paragraphs 2N, 4, 5, 6, 7, 8, 10, and 14. Seller has 2 Days After receipt (or completion) of any of these items to provide it to Buyer. Buyer has 5 (or 7) Days After receipt of (I) each of the above items and (II) notice of violation of Law under paragraph 5E and Proposed Changes under paragraph 8 to review the report, disclosure or other information.
(2) BUYER HAS: 14 (or 21) Days After Acceptance to complete all inspections, investigations and review of reports and other applicable information for which Buyer is responsible.

B. (1) APPROVAL OR REQUEST: Within the times specified above (or paragraph 2H for loan contingency), Buyer shall provide Seller with either (I) an unconditional approval and removal of the applicable contingency, or (II) a reasonable written request that Seller Repair or take other action (or for loan contingency, cancellation if Buyer is unable to obtain the designated loan).

(2) EFFECT OF BUYER'S REQUEST: If, pursuant to B(1), Buyer reasonably requests that Seller Repair or take other action, Buyer and Seller have 5 (or 7) Days After Seller's receipt of Buyer's request to reach mutual written agreement on Buyer's request. If (I) Seller has agreed in writing to unconditionally and completely take the action requested by Buyer, or (II) Buyer and Seller have reached a mutual written agreement with respect to those items, then the transaction shall proceed on those terms. Seller has no obligation, express or implied; to satisfy Buyer's requests.

(3) EFFECT OF NO WRITTEN AGREEMENT ON BUYER'S REQUESTS: If, at the expiration of the time in B(2), neither B(2)(I) nor (II) has occurred, Buyer has 2 (or 5) Days to cancel this Agreement in writing.

C. ACTIVE OR PASSIVE REMOVAL OF CONTINGENCIES AND CANCELLATION RIGHTS:

(1) [X] ACTIVE METHOD (Applies only if checked):

(a) (No written request or removal by Buyer) If, within the time specified in A, Buyer does not give Seller written notice pursuant to B(1), Seller may cancel this Agreement in writing. Notwithstanding the expiration of the time specified, Buyer retains the right to give Seller written notice under B1 at any time prior to receiving Seller's written cancellation. Once Seller receives Buyer's written request or removal, Seller may not cancel this Agreement pursuant to paragraph C(1)(a).

(b) (No written cancellation by Buyer) If, within the time specified, Buyer does not give Seller written notice of cancellation pursuant to B(3), either Buyer or Seller may cancel this Agreement in writing at any time prior to Buyer and Seller reaching mutual written agreement with respect to any requests made pursuant to B(1).

(2) PASSIVE METHOD: If, within the time specified, Buyer does not give Seller: (I) a reasonable written request pursuant to B(1) (or for loan contingency, cancellation if Buyer is unable to obtain the designated loan), or (II) written notice of cancellation pursuant to B(3) if no agreement is reached on Buyer's requests, then Buyer shall be deemed, as applicable, to have unconditionally approved and removed the contingency or withdrawn the request and waived any right to cancel associated with the requested item.

D. EFFECT OF REMOVAL: If Buyer removes any contingency or cancellation right by the active or passive method, as applicable, Buyer shall conclusively be deemed to have: (I) completed all inspections, 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 inability to obtain financing if the contingency pertains to financing, unless, pursuant to B(2) or elsewhere in this Agreement, Seller agrees to make Repairs or take other action.

E. 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, Buyer and Seller agree to Sign mutual instructions to cancel the sale and escrow and release deposits, less fees and costs, to the party entitled to the funds. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Release of funds will require mutually, Signed release instructions from Buyer and Seller, judicial decision or arbitration award. A party may be subject to a civil penalty of up to \$1,000 for refusal to sign such instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).

16. FINAL VERIFICATION OF CONDITION: Buyer shall have the right to make a final inspection of the Property within 5 (or 7) Days prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm (I) Property is maintained pursuant to paragraph 9A, (II) Repairs have been completed as agreed, and (III) Seller has complied with Seller's other obligations.

17. ENVIRONMENTAL HAZARD CONSULTATION: Buyer and Seller acknowledge: (I) Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (II) Broker has made no representation concerning the applicability of any such law to this transaction, to Buyer, or to Seller, except as otherwise indicated in this Agreement; (III) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (IV) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location, and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.

18. AMERICANS WITH DISABILITIES ACT: The Americans With Disabilities Act ("ADA") prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. The ADA can require, among other things, buildings to be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker does not have the technical expertise either to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact an attorney, contractor, architect, engineer or other qualified professional of his/her own choosing to determine to what degree, if at all, the ADA impacts that principal or this transaction.

19. SECURITY DEPOSITS: Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current law, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant, in compliance with the Civil Code.

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

Reviewed by
Broker or Designee Date



20. LIQUIDATED DAMAGES: If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages for breach of contract, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award.

BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION FOR ANY INCREASED DEPOSIT (C.A.R. FORM RID-11). Buyer's initials [Signature] Seller's initials [Signature]

21. DISPUTE RESOLUTION:

A. MEDIATION: Buyer and Seller 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. Paragraphs 21B(2) and (3) below apply whether or not the Arbitration provision is initiated. 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 commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

B. ARBITRATION OF DISPUTES: (1) Buyer and Seller 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, including and subject to paragraphs 21 B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional Law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.

(2) EXCLUSIONS FROM MEDIATION AND ARBITRATION: 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; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death, or any right of action to which Code of Civil Procedure §337.1 or §337.15 applies. 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, shall not constitute a violation of the mediation and arbitration provisions.

(3) BROKERS: Buyer and Seller agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration prior to, or within a reasonable time after, the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the Agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING 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 [Signature] Seller's initials [Signature]

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Reviewed by Broker or Designee _____ Date _____



Property Address: 201202 El KODIAR AND 111 Alvarado, Ojai (unincorporated), CA 93023 Date: June 11, 2002

22. **PRORATIONS OF PROPERTY TAXES** OTHER ITEMS: Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, OA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments, and OA 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. 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. Exceptions to Prorations: _____

- 23. **WITHHOLDING TAXES:** Seller and Buyer agree to execute any instrument, affidavit, statement or instruction reasonably necessary to comply with federal (FIRPTA) and California withholding Law, if required (C.A.R. Forms AS-11 and AB-11).
- 24. **PROPERTY DATA SYSTEM:** Brokers are authorized to report the terms of this transaction to any Property Data System, to be published and disseminated to persons and entities authorized to use the information on terms approved by the Property Data System.
- 25. **EQUAL OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Law.
- 26. **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 21A.
- 27. **SELECTION OF SERVICE PROVIDERS:** If Brokers give Buyer or Seller referrals to persons, vendors, or service or product providers ("Providers"), Brokers do not guarantee the performance of any of those Providers. Buyer and Seller may select ANY Providers of their own choosing.
- 28. **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. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.
- 29. **ASSIGNMENT:** Buyer shall not assign all or any part of Buyer's interests in this Agreement without first having obtained the written consent of Seller. Such consent shall not be unreasonably withheld, unless otherwise agreed in writing. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement.
- 30. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon, and inure to the benefit of, Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.
- 31. **COPIES:** Seller and Buyer each represent that Copies of all reports, documents, certificates, approvals, and other documents that are furnished to the other are true, correct, and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.
- 32. **GOVERNING LAW:** This Agreement shall be governed by the Laws of the state of California.
- 33. **AUTHORITY:** Any person or persons signing this Agreement represent(s) that such person has full power and authority to bind that person(s) principal, and that the designated Buyer and Seller have full authority to enter into and perform this Agreement. Entering into this Agreement, and the completion of the obligations pursuant to this contract, does not violate any Articles of Incorporation, By Laws, Partnership Agreement, or other document governing the activity of either Buyer or Seller.
- 34. **OTHER TERMS AND CONDITIONS, including ATTACHED SUPPLEMENTS:**
 - A. Buyer Inspection Advisory (C.A.R. Form BIA-11)
 - B. Purchase Agreement Addendum (C.A.R. Form PAA-11 paragraph numbers: _____)
 - C. Seller Financing Addendum and Disclosure (C.A.R. Form SFA-11)
 - D. Intent To Exchange Supplement (C.A.R. Form ES-14)
 - E. Purchase is subject to and contingent upon approval of the Bankruptcy Court

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

Reviewed by _____ Date _____
 Broker or Designee _____



35. NOTICES: Whenever notice is given under this Agreement, each notice shall be in writing, and shall be delivered personally, by facsimile, or by mail, postage prepaid. Notice shall be delivered to the address set forth below the recipient's signature of acceptance. Either party may change its notice address by providing notice to the other party.

36. DEFINITIONS: As used in this Agreement:

- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by the other party and communicated in accordance with this Agreement or the terms of the final counter offer.
- B. "Agreement" means the terms and conditions of this Commercial Property Purchase Agreement and any counter offer and addenda.
- C. "Days" means calendar days, unless otherwise required by Law.
- D. "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 11:59PM on the final day.
- E. "Close Of Escrow" means the date the grant deed is recorded or other evidence of title is transferred. If scheduled close of escrow falls on a Saturday, Sunday or legal holiday, then the close of escrow date shall be the next business day after the scheduled close of escrow date.
- F. "Copy" means copy by any means, including photocopy, NCR, facsimile and electronic.
- G. "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.
- H. "Repairs" means any repairs (including pest control), alterations, replacements, modifications and retrofitting of the Property provided for under this Agreement.
- I. "Signed" means either a handwritten or electronic signature.
- J. Singular and Plural terms each include the other, when appropriate.
- K. "C.A.R. Form" means the specific form referenced, or another comparable form agreed to by the parties.
- L. "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 one to modify or alter the content or integrity of the Agreement without the knowledge and consent of the other.

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Broker or Designee _____



37. AGENCY:

- A. **POTENTIALLY COMPETING BUYER AND SELLERS:** Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Buyer may consider, make offers on or purchase other properties similar to the Property. Buyer and Seller acknowledge and consent to Broker(s)' representation of such potential buyers and sellers before, during and after Broker(s)' representation of Buyer and Seller.
- B. **CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction:
 Listing Agent Jacobson Realty Inc. (Print Firm Name) is the agent of (check one):
 the Seller exclusively; or both Buyer and Seller.
 Selling Agent Coldwell Banker/ Property Shoppe (Print Firm Name) (if not same as Listing Agent) is the agent of (check one):
 the Buyer exclusively; or the Seller exclusively; or both Buyer and Seller.
 Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

C. **BROKERAGE:** Neither Buyer nor Seller has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as specified in this Agreement, in connection with any act relating to the Property, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this Agreement. Buyer and Seller each agree to indemnify, defend, and hold harmless the other, the Brokers specified herein, and their agents, from and against any costs, expenses or liability for compensation claimed inconsistent with the warranty and representations in this paragraph.

38. 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 relating counter offers and addenda, and any additional mutual instructions to close the transaction: 1, 2, 4, 14, 15E, 19, 22, 23, 28, 29, 34B, C, D and E, 36, 38, 40, 42A, and 43. The terms and conditions of the 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 directly from Escrow Holder and will execute such provisions upon Escrow Holder's request. 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 complete this transaction.
- B. A Copy of this Agreement shall be delivered to Escrow Holder within 3 business days after Acceptance (or _____). Escrow will be deemed open when Escrow Holder has Signed an acknowledgement of receipt of a Copy of this accepted Agreement. 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 the Agreement.
- C. Brokers are a party to the Escrow for the sole purpose of compensation pursuant to paragraphs 40 and 42A. Buyer and Seller irrevocably assign to Brokers compensation specified, respectively, in paragraphs 40 and 42A and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow. Compensation instructions can be amended or revoked only with the written consent of Brokers.

39. Buyer and Seller acknowledge and agree that: (i) Brokers do not decide what price Buyer should pay or Seller should accept; (ii) Brokers do not guarantee the performance or Repairs of others who have provided services or products to Buyer or Seller; and (iii) they will seek legal, tax, insurance, title and other desired assistance from appropriate professionals. Buyer and Seller further acknowledge and agree that Brokers: (i) do not guarantee the condition of the Property; (ii) shall not be responsible for defects that are not known to Broker(s); (iii) cannot identify Property boundary lines; (iv) cannot verify inspection reports, square footage or representations of others; (v) cannot provide legal or tax advice; and (vi) will not provide other advice or information that exceeds the knowledge, education and experience required to obtain a real estate license.

40. **BROKER COMPENSATION FROM BUYER:** Upon Close Of Escrow, Buyer agrees to pay compensation for services as follows: 2% listing and 2% selling commission to Jacobson Realty Inc. and Coldwell Banker, Broker.

41. **TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the above terms and conditions. All paragraphs with spaces for initials by Buyer and Seller are incorporated in this Agreement only if initialed by all parties. If at least one but not all parties initial, a counter offer is required until agreement is reached. Unless Acceptance of offer is Signed by Seller, and a Copy of the Signed offer is personally received by Buyer, or by Jerry Michaels/Coldwell Banker, who is authorized to receive it, by (date) 06/12/2002, at 5:00 AM PM, the offer shall be deemed revoked and the deposit shall be returned. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to communication of Acceptance as above.

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

Reviewed by _____	Date _____
Broker or Designee _____	Date _____



1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805)987-0481 Fax (805)987-0633

Escrow No. 24043567 - J30

Escrow Officer Lexd Howard

Date August 21, 2002

Property: 510 and 520 El Roblar Drive, Ojai, CA 93023

1. The Commercial Property Purchase Agreement and Joint Escrow Instructions under your Escrow No. 024043567
2. and any amendments and/or supplements thereto, are hereby amended and/or supplemented as follows:
- 3.
4. The undersigned buyer hereby removes all contingencies with the exception of the following attachment, the terms
5. and conditions of which are hereby incorporated by reference hereto.
- 6.
- 7.
8. ALL OTHER TERMS AND CONDITIONS ARE TO REMAIN THE SAME.
- 9.
- 10.
- 11.
- 12.
- 13.

14. Frederick W. Kosmo

17. Meiners Oaks LLC

21. BY _____

24. BY _____

On or before 8/26/02;

1. Seller to provide Buyer with a completed mold disclosure in order for Buyer to proceed with obtaining an insurance quote for the property.

On or before 8/26/02, Buyer to be provided with a fully executed estoppel certificate signed by tenant. Upon receipt and approval of the preceding, the Buyers are prepared to remove all contingencies and escrow is to close immediately upon approval from the bankruptcy courts.

The buyer is hereby amended to Meiners Oaks L.L.C. Prior to close of escrow, buyer shall provide Chicago Title Company with evidence of the formation of same, including but not limited to a copy of the Operating Agreement and a Secretary of State certified copy of the LLC-1 for recording at close of escrow.

Seller is aware that Jerry and Charleen Michaels, California Real Estate Brokers are participating as buyers with Jim and Kim Exon, as part of the above LLC.

Frederick W. Kosmo

Meiners Oaks L.L.C.

BY _____

BY _____

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805)987-0481 Fax (805)987-0633

Escrow No. 24043567 - J30

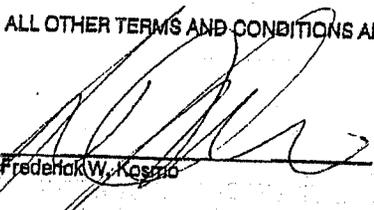
Escrow Officer Lexi Howard

Date August 21, 2002

Property: 510 and 520 El Roblar Drive, Ojai, CA 93023

1. The Commercial Property Purchase Agreement and Joint Escrow Instructions under your Escrow No. 024043567
2. and any amendments and/or supplements thereto, are hereby amended and/or supplemented as follows:
- 3.
4. The undersigned buyer hereby removes all contingencies with the exception of the following attachment, the terms
5. and conditions of which are hereby incorporated by reference hereto.
- 6.
- 7.

8. ALL OTHER TERMS AND CONDITIONS ARE TO REMAIN THE SAME.

9.
10.
11.
12.
13.
14. 
15. Frederick W. Kosmo

17. Meiners Oaks L.L.C

21. BY _____

24. BY _____

Escrow No. 24043567
Attachment to Amendment dated August 21, 2002

On or before 8/26/02;

1. Seller to provide Buyer with a completed mold disclosure in order for Buyer to proceed with obtaining an insurance quote for the property.

On or before 8/26/02, Buyer to be provided with a fully executed estoppel certificate signed by tenant. Upon receipt and approval of the preceding, the Buyers are prepared to remove all contingencies and escrow is to close immediately upon approval from the bankruptcy courts.

The buyer is hereby amended to Meiners Oaks L.L.C. Prior to close of escrow, buyer shall provide Chicago Title Company with evidence of the formation of same, including but not limited to a copy of the Operating Agreement and a Secretary of State certified copy of the LLC-1 for recording at close of escrow.

Seller is aware that Jerry and Charleen Michaels, California Real Estate Brokers are participating as buyers with Jim and Kim Exon, as part of the above LLC.


Frederick W. Kosmo

Meiners Oaks L.L.C.

BY _____

BY _____



CHICAGO TITLE COMPANY

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010

(805) 987-0481 Fax: (805) 987-0633

Escrow No: 24043567 - J30

Escrow Officer: Lexi Howard

Prior to the close of your escrow, you will need to provide us with how you wish to hold title to the real property you are purchasing. For your convenience, you may use the lower portion of this letter to indicate the exact name and manner of title.

If you have any questions concerning this form, please do not hesitate to give us a call. If you have any questions or concerns regarding how you should hold title, please consult your attorney.

By: Lexi Howard
Escrow Officer

TO:

Title to the real property I/we are acquiring shall vest in the manner indicated below.

MEINERS OAKS, LLC Jim Ewan, Managing Director
(please print name(s) as you will sign)

- Husband and Wife, as Joint Tenants
Husband and Wife, as Community Property
Husband and Wife, as Community Property with Right of Survivorship
Husband and Wife, as Tenants in Common
An Unmarried Man (divorced)
An Unmarried Woman (divorced)
A Married Man As His Sole and Separate Property (Quitclaim Deed will be required from Spouse)
Wife's name:
A Married Woman As Her Sole and Separate Property (Quitclaim Deed will be required from Spouse)
Husband's name:
A Single Man (never married)
A Single Woman (never married)
A Widow
A Widower
as to an undivided % interest
A TRUST AS FOLLOWS:
(exact names of the trustees and name and date of the trust)
A FULL COPY OF THE TRUST MAY BE REQUIRED
Other:

Escrow holder is authorized to complete the Grant Deed and all pertinent documents, prior to close of escrow in accordance with same.

[Signature]
(please sign in same manner as printed above)



TO: CHICAGO TITLE COMPANY, licensed by the California Department of Insurance

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805) 987-0481 Fax (805) 987-0633

Escrow No. 24043567 - J30 Escrow Officer Lexi Howard

Date June 28, 2002

Property: 510 and 520 El Roblar Drive, Ojai, CA 93023

Upon close of the above referenced escrow, and from final proceeds due Seller(s) thereunder, Escrow Holder has received instructions to pay commission as follows:

Jacobson Realty , Inc. \$4,500.00
a licensed real estate broker, the sum of

AND ALSO PAY

Coldwell Banker Property Shoppe \$4,500.00
a licensed real estate broker, the sum of

TO PAY A TOTAL COMMISSION OF \$9,000.00

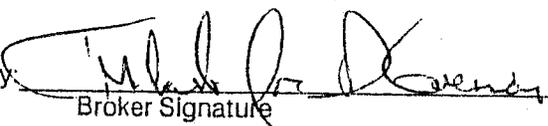
Unless you are given contrary written instructions by the named Broker, Agent, employee or representative of said Broker, when this escrow is closed please mail payment to the corresponding address shown below.

Receipt Acknowledged:

Jacobson Realty, Inc.

Coldwell Banker Property Shoppe

By: _____
Broker Signature

By: 
Broker Signature

License No.: _____

License No.: 00969542

Address: 445 Rosewood Avenue, Suite J
Camarillo, CA 93010

Address: 727 W. Ojai Avenue
Ojai, CA 93023

Telephone: (805) 389-4747

Telephone: (805) 646-7288

Agent: Lynn J. Osslund

Agent: Jerry Michaels

MEMORANDUM OF INSTRUCTIONS TO PAY COMMISSION

TO: CHICAGO TITLE COMPANY, licensed by the California Department of Insurance

1727 DAILY DRIVE, SUITE D, CAMARILLO, CA 93010
(805) 987-0481 Fax (805) 987-0633

Escrow No. 24043567 - J30 Escrow Officer Lexi Howard

Date June 28, 2002

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a licensed real estate broker, the sum of

AND ALSO PAY

Coldwell Banker Property Shoppe \$4,500.00
a licensed real estate broker, the sum of

TO PAY A TOTAL COMMISSION OF \$9,000.00

Unless you are given contrary written instructions by the named Broker, Agent, employee or representative of said Broker, when this escrow is closed please mail payment to the corresponding address shown below.

Receipt Acknowledged:

Jacobson Realty, Inc.

Coldwell Banker Property Shoppe

By: *Lynn Osslund*
Broker Signature

By: _____
Broker Signature

License No.: 00623752

License No.: _____

Address: 445 Rosewood Avenue, Suite J
Camarillo, CA 93010

Address: 727 W. Ojai Avenue
Ojai, CA 93023

Telephone: (805) 389-4747

Telephone: (805) 646-7288

Agent: Lynn J. Osslund

Agent: Jerry Michaels

Date June 12, 2002, at Camarillo, California. This is a counter offer to the: [] Residential Purchase Agreement, [] Counter Offer, [X] Other Coml Prop Purchase Agrmt ("Offer"), dated June 11, 2002, regarding 510 and 520 El Roblar Ojai ("Property"), between Jim Exon ("Buyer"), and Frederick Kosmo ("Seller").

- 1. TERMS: The terms and conditions of the above referenced document are accepted subject to the following: A. Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer. B. Unless otherwise specified in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer. C. 1) Interest rate on note carried back by Seller to be 8%. In the event Buyer wishes to pay down the principal during the 5 year term on said note, Buyer shall prepay no more than 20% principal in any 1 year. Due on sale clause to be included in said note. (Ref #2C of original offer). Purchaser to be Jim Exon and/or nominee. 2) Seller does not have in his possession any surveys, plans, engineering, permits, or approvals pertaining to the subject property. Seller is unaware if structural additions or modifications may or may not have been made over the years. Buyer is aware that these structures are older and Buyer is purchasing these properties in AS IS condition. Buyer shall make any inspections to satisfy self as to the current condition of the property. (Ref #5 and #6 of original offer) 3) Seller shall have 15 days to provide information to Buyer per #15A(1) of original offer. Paragraph #32 of purchase contract to be 30 days. 4) Seller reserves the right to make a 1031 tax free exchange and Buyer to cooperate with Seller in making said exchange at no added cost or liability to Buyer. 5) Paragraph #40 of original offer is deleted in its entirety. D. The following attached addenda/supplements are incorporated in this Counter Offer: [] Contract Addendum No. []

- 2. RIGHT TO ACCEPT OTHER OFFERS: Seller reserves the right to continue to offer the Property for sale or for other transaction, and to accept any other offer at any time prior to communication of acceptance, as described in paragraph 3. If this is a Seller Counter Offer, Seller's acceptance of another offer prior to Buyer's acceptance and communication of acceptance of this Counter Offer, shall revoke this Counter Offer. 3. EXPIRATION: Unless acceptance of this Counter Offer is Signed by the Buyer or Seller to whom it is sent, and communication of acceptance is made by delivering a Signed Copy, which is personally received, to the person making this Counter Offer or to Lynn Oslund or Jess Jacobson, by 5:00 PM on the third calendar day after this Counter Offer is written (or, if checked, [] date: June 12, 2002, time 6:00 [] AM [X] PM), this Counter Offer shall be deemed revoked and the deposit shall be returned to Buyer. This Counter Offer may be executed in counterparts.

4. [] (If Checked:) MULTIPLE COUNTER OFFER: Seller is making a Counter Offer(s) to another prospective buyer(s) on terms that may or may not be the same as in this Counter Offer. Acceptance of this Counter Offer by Buyer shall not be binding unless and until it is subsequently re-Signed by Seller in paragraph 7 below and communication of Seller's acceptance is made by delivering a Signed Copy, in person, by mail or by facsimile, which is personally received, to Buyer or to []. Prior to the completion of all of these events, Buyer and Seller shall have no duties or obligations for the purchase or sale of the Property.

5. OFFER: BUYER OR SELLER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY. Date [] Date []

6. ACCEPTANCE: I/WE accept the above Counter Offer (if checked [] SUBJECT TO THE ATTACHED COUNTER OFFER) and acknowledge receipt of a Copy. Date [] Time [] AM [] PM Date [] Time [] AM [] PM

7. MULTIPLE COUNTER OFFER SIGNATURE LINE: By signing below, Seller accepts this Multiple Counter Offer. NOTE TO SELLER: Do NOT sign in this box until after Buyer signs in paragraph 6.) (Paragraph 7 applies only if paragraph 4 is checked.) Date [] Time [] AM [] PM Date [] Time [] AM [] PM

8. (K) (Initials) ACKNOWLEDGMENT OF RECEIPT: The maker of the Counter Offer, or that person's authorized agent as specified in paragraph 3, (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent as specified in paragraph 4) acknowledges receipt of a Signed Copy of this Counter Offer on [] (date), at [] AM [X] PM.

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Reviewed by [] Broker or Designee [] Date []



COMMERCIAL PROPERTY PURCHASE AGREEMENT, AND JOINT ESCROW INSTRUMENTS (AND RECEIPT FOR DEPOSIT) (NON-RESIDENTIAL) (C.A.R. Form CPA-11, Revised 4/01)

Date June 11, 2002, at Ojai, California.

- 1. OFFER: A. THIS IS AN OFFER FROM Jim Exon ("Buyer"). B. THE REAL PROPERTY TO BE ACQUIRED is described as 510 and 520 El Roblar... C. THE PURCHASE PRICE offered is Two Hundred Twenty-Five Thousand Dollars \$ 225,000.00... D. CLOSE OF ESCROW shall occur 120 Days After Acceptance... 2. FINANCING: Obtaining the loans below is a contingency of this Agreement unless... A. BUYER HAS GIVEN A DEPOSIT TO THE AGENT SUBMITTING THE OFFER \$ 5,000.00... B. INCREASED DEPOSIT shall be deposited by Buyer with Escrow Holder within... C. FIRST LOAN IN THE AMOUNT OF \$ 130,000.00... D. SECOND LOAN IN THE AMOUNT OF... E. ADDITIONAL FINANCING TERMS... F. BALANCE OF PURCHASE PRICE (not including costs of obtaining loans and other closing costs) to be... \$ 90,000.00... G. TOTAL PURCHASE PRICE \$ 225,000.00... H. LOAN CONTINGENCY shall remain in effect until the designated loans are funded... I. NO LOAN CONTINGENCY: (If checked) Obtaining any loan in paragraphs 2C, 2D, 2E or elsewhere in this Agreement is NOT a contingency of this Agreement.

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Buyer and Seller acknowledge receipt of a copy of this page.

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

Reviewed by Broker or Designee Date



- J. ALL CASH OFFER: (If checked) No _____ is needed to purchase the Property. Buyer shall, within 5 (or _____) Days After Acceptance, provide Seller written verification of sufficient funds to close this transaction. Seller may cancel this Agreement in writing within 5 Days After: (I) time to provide verification expires, if Buyer fails to provide verification, or (II) receipt of verification, if Seller reasonably disapproves it.
- K. LOAN APPLICATIONS; PREQUALIFICATION: Within 5 (or _____) Days After Acceptance, Buyer shall provide Seller a letter from lender or mortgage loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified for the NEW loan(s) indicated above. If Buyer fails to provide such letter within that time, Seller may cancel this Agreement in writing.
- L. APPRAISAL CONTINGENCY: (If checked) This Agreement is contingent upon Property appraising at no less than the specified total purchase price. If there is a loan contingency, the appraisal contingency shall remain in effect until the loan contingency is removed. If there is no loan contingency, the appraisal contingency shall be removed within 10 (or _____) Days After Acceptance.
- M. SELLER FINANCING: For any Seller financing designated above, Buyer is to execute a note secured by a deed of trust in favor of Seller, on the terms and conditions set forth in the attached addendum (C.A.R. Form SFA-11).
- N. ASSUMED OR "SUBJECT TO" FINANCING: Seller represents that Seller is not delinquent on any payments due on any loans. Seller shall, within the time specified in paragraph 15, provide copies of all applicable notes and deeds of trust, loan balances and current interest rates to Buyer. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer, and credited to Seller. Seller is advised that Buyer's assumption of an existing loan may not release Seller from liability on that loan. If Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.

3. CLOSING AND OCCUPANCY

- A. Possession and occupancy, subject to the rights of tenants under existing leases, shall be delivered to Buyer at 12:00 AM PM, on the date of Close of Escrow, on _____, or no later than _____ Days After Close Of Escrow.
- B. At Close Of Escrow, Seller assigns to Buyer any assignable warranty rights for items included in the sale and shall provide any available copies of such warranties. Brokers cannot and will not determine the assignability of any warranties.
- C. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys and/or means to operate all locks, mailboxes, security systems, alarms and garage door openers. If Property is a unit in a condominium or other common interest subdivision, Buyer may be required to pay a deposit to the Owners' Association ("OA") to obtain keys to accessible OA facilities.

4. ALLOCATION OF COSTS (If checked): If any of the inspections or reports in paragraph 4A, B, C and D are checked, then with regard to that item, Buyer shall have approval, removal and cancellation rights, and obligations as specified in paragraph 15.

- A. Buyer Seller shall pay for sewer connection, if required by Law prior to Close Of Escrow. _____
- B. Buyer Seller shall pay to have septic or private sewage disposal system inspected. _____
- C. Buyer Seller shall pay to have domestic wells tested for water potability and productivity. _____
- D. Buyer Seller shall pay for a natural hazard zone disclosure report prepared by _____

GOVERNMENT REQUIREMENTS AND RETROFIT

- E. Buyer Seller shall pay for smoke detector installation and/or water heater bracing, if required by Law. Prior to Close Of Escrow, Seller shall provide Buyer a written statement of compliance in accordance with state and local Law, unless exempt.
- F. Buyer Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards, inspections and reports if required as a condition of closing escrow under any Law.

ESCROW, TITLE AND OTHER COSTS

- G. Buyer Seller shall pay escrow fee. Cost to be shared 50/50 between buyer and seller
Escrow Holder shall be Chicago Escrow in Camarillo-Lexi Howard, escrow officer
- H. Buyer Seller shall pay for owner's title insurance policy specified in paragraph 14.
Owner's title policy to be issued by Chicago Title
(Buyer shall pay for any title insurance policy insuring Buyer's Lender, unless otherwise agreed.)
- I. Buyer Seller shall pay County transfer tax or transfer fee.
- J. Buyer Seller shall pay City transfer tax or transfer fee. _____
- K. Buyer Seller shall pay Owners' Association transfer fees. _____
- L. Buyer Seller shall pay Owners' Association document preparation fees. _____

5. SELLER DISCLOSURES: Within the time specified in paragraph 15, Seller, shall provide to Buyer, in writing, the following disclosures and information. Buyer shall then, within the time specified in paragraph 15, investigate the disclosures and information, and provide Seller with notice, if any, as specified in paragraph 15.

- A. NATURAL HAZARD ZONE: Special Flood Hazard Areas; Potential Flooding (Inundation) Areas; Very High Fire Hazard Severity Zones; State Fire Responsibility Areas; Earthquake Fault Zones; Seismic Hazard Zones, or any other federal, state, or locally designated zone for which disclosure is required by Law.
- B. PROPERTY DISCLOSURES AND PUBLICATIONS: Earthquake Guide (and disclosures), if required by Law, and Environmental Hazards Booklet.
- C. STRUCTURAL MODIFICATIONS: Any known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.

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Buyer and Seller acknowledge receipt of a copy of this page.
 Buyer's Initials (AS) (_____)
 Seller's Initials (_____) (_____)

Reviewed by _____	Date _____
Broker or Designee _____	



- D. **GOVERNMENTAL COMPLIANCE:** Any improvements, additions, alterations, or repairs made by Seller, or known to Seller to have been made, without required governmental permits, inspections, and approvals.
 - E. **VIOLATION NOTICES:** Any notice of violations of any Law filed or issued against the Property and actually known to Seller.
 - F. **MISCELLANEOUS ITEMS:** Any of the following, if actually known to Seller: (I) any current pending lawsuit(s), investigation(s), inquiry(ies), action(s), or other proceeding(s) affecting the Property, or the right to use and occupy it; (II) any unsatisfied mechanic or materialman lien(s) affecting the Property; and (III) that any tenant of the Property is the subject of a bankruptcy.
 - G. (if checked) **CONDOMINIUM/Common Interest Subdivision:** Property is a unit in a condominium, or other common interest subdivision. Seller shall request from the OA and, upon receipt, provide to Buyer: (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claims or litigation by or against the OA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of OA minutes for regular and special meetings, if available; and (v) the names and contact information of all OAs governing the Property.
 - H. **SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information, or representations previously provided to Buyer of which Buyer is otherwise unaware, Seller shall promptly provide a subsequent or amended disclosure, in writing, covering those items. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports received by Buyer.**
6. **SELLER DOCUMENTATION:** Within the time specified in paragraph 15, Seller shall provide Buyer the following information. Buyer shall then, within the time specified in paragraph 15, investigate the information and provide Seller with notice, if any, as specified in paragraph 15.
- A. **SURVEYS, PLANS AND ENGINEERING DOCUMENTS:** Copies of surveys, plans, specifications, and engineering documents, if any, in Seller's possession or control.
 - B. **RENTAL SERVICE AGREEMENTS:** (I) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; and (II) a rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates, or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any concession, rebate, or other benefit, except as set forth in these documents.
 - C. **INCOME AND EXPENSE STATEMENTS:** The books and records, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business, and used by Seller in the computation of federal and state income tax returns.
 - D. **ESTOPPEL CERTIFICATES:** Tenant Estoppel certificates completed by Seller or Seller's agent, acknowledging: (I) that tenants' rental or lease agreements are unmodified and in full force and effect (or if modified, stating all such modifications); (II) that no lessor defaults exist; and (III) the amount of any prepaid rent or security deposit. Tenant Estoppel certificates shall be signed by each tenant or, if a tenant does not sign, by Seller or Seller's agent, who shall indicate whether or not the signature is binding upon the tenant.
 - E. **PERMITS:** If in Seller's possession, copies of all permits and approvals concerning the Property, obtained from any governmental entity, including, but not limited to, Certificates of Occupancy, Conditional Use Permits, Development Plans, and licenses and permits pertaining to the operation of the Property.
7. (if checked) **ENVIRONMENTAL SURVEY:** Within _____ Days After Acceptance, Buyer shall be provided a phase one environmental survey report paid for and obtained by Buyer, Seller. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15.
8. **CHANGES DURING ESCROW:**
- A. Prior to Close Of Escrow, Seller may only engage in the following acts ("Proposed Changes") subject to Buyer's rights in paragraph 8B: (i) rent or lease any vacant unit or other part of the premises; (ii) alter, modify, or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of Property.
 - B. Seller shall give written notice to Buyer of any Proposed Changes. Buyer shall, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15, and if Buyer disapproves, Seller shall not make the Proposed Changes.
9. **CONDITION OF PROPERTY:**
- A. Unless otherwise agreed, (i) Property is sold (a) in its PRESENT physical condition on the date of Acceptance and (b) subject to Buyer inspection rights; (ii) 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.
 - B. **SELLER SHALL DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS AND MAKE OTHER DISCLOSURES REQUIRED BY LAW.**
 - C. Buyer has the right to inspect the Property and, based upon information discovered in those inspections, may reasonably request that Seller make Repairs, corrections or take other action as specified in paragraph 15.
 - D. **Note to Buyer:** You are strongly advised to conduct inspections of the entire Property in order to determine its present condition since Seller may not be aware of all defects affecting the Property or other factors that you consider important. Property Improvements may not be built according to codes or in compliance with current Law, or have had permits issued.
 - E. **Note to Seller:** Buyer may request that you make certain Repairs and, in the event you refuse or are unable to make those Repairs, Buyer may cancel this Agreement as specified in paragraph 15.

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Buyer and Seller acknowledge receipt of a copy of this page.
 Buyer's Initials (_____) (_____)
 Seller's Initials (_____) (_____)
 Reviewed by _____ Date _____
 Broker or Designee _____ Date _____



10. **FIXTURES AND PERSONAL PROPERTY**

- A. **ITEMS INCLUDED IN SALE:** All EXISTING fixtures and fittings that are attached to the Property are INCLUDED IN THE PURCHASE PRICE (unless excluded in paragraph 10C below), and shall be transferred free of liens and without Seller warranty. Items to be transferred shall include, but are not limited to, existing electrical, mechanical, lighting, plumbing and heating fixtures, fireplace inserts, solar systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes and related equipment, private integrated telephone systems, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, attached fireplace equipment, mailbox, in-ground landscaping, including trees/shrubs, and (if owned by Seller) water softeners, water purifiers and security systems/alarms.
- B. **ADDITIONAL ITEMS INCLUDED:** A complete inventory of all personal property of Seller currently used in the operation of the Property and included in the purchase price, shall be delivered to Buyer within the time specified in paragraph 15. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15. Seller shall deliver title to the personal property by Bill of Sale, free of all liens and encumbrances, and without warranty of condition, except None. As additional security for any note in favor of Seller for any part of the purchase price, Buyer shall execute a UCC-1 Financing Statement to be filed with the Secretary of State, covering the personal property included in the purchase, replacement thereof, and any insurance proceeds.
- C. **ITEMS EXCLUDED FROM SALE:** None

Within the time specified in paragraph 15, Seller shall give Buyer a list of fixtures not owned by Seller. Buyer shall then, within the time specified in paragraph 15, provide Seller with notice, if any, as specified in paragraph 15.

- 11. **BUYER'S INVESTIGATION OF PROPERTY CONDITION:** 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 15. Buyer shall have the right at Buyer's expense, unless otherwise agreed, to conduct inspections, investigations, tests, surveys, and other studies ("Inspections"), including the right to: (I) inspect for lead-based paint and other lead-based paint hazards; and (II) inspect for wood destroying pests and organisms. No Inspections shall be made by any governmental building or zoning inspector, or government employee, without Seller's prior written consent, unless required by Law. Buyer shall complete these Inspections and give any written notice to Seller within the time specified in paragraph 15. At Seller's request, Buyer shall give Seller, at no cost, complete Copies of all Inspection reports supporting Buyer's written requests. Seller shall make Property available for all Inspections. Seller shall have water, gas and electricity on for Buyer's Inspections and through the date possession is made available to Buyer.
- 12. **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 work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a 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 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 receipts and statements to Buyer prior to final verification of condition.
- 13. **BUYER INDEMNITY AND SELLER PROTECTION FOR ENTRY UPON PROPERTY:** Buyer shall: (i) keep Property free and clear of liens; (ii) indemnify and hold Seller harmless from all liability, claims, demands, damages and costs arising from Inspections; and (iii) Repair all damages arising from Inspections. 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 Inspections 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 for Inspections and work done on the Property at Buyer's direction.
- 14. **TITLE AND VESTING:**
 - A. Within the time specified in paragraph 15, Buyer shall be provided a current preliminary (title) report, which is only an offer by the title insurer to issue a policy of title insurance, and may not contain every item affecting title. Buyer shall provide written notice to Seller in accordance with and within the time specified in paragraph 15.
 - B. At Close Of Escrow, Buyer shall receive a grant deed conveying title, including oil, mineral and water rights if currently owned by Seller. Title shall be subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters that are of record or disclosed to Buyer prior to Close Of Escrow, unless otherwise requested in writing by Buyer and agreed to by Seller within the time specified in paragraph 15. However, title shall not be subject to any liens against the Property, except for those specified in this Agreement. Title shall vest as designated in Buyer's supplemental escrow instructions. **THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES.**
 - C. Buyer shall receive a CLTA Policy of Title Insurance, if available for the Property. A title company, at Buyer's request, can provide information about availability, desirability, coverage, and cost of various title insurance coverages and indorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and pay any increase in costs.

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Buyer and Seller acknowledge receipt of a copy of this page.

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

Reviewed by _____ Date _____
Broker or Designee _____



15. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following periods may only be extended, altered, modified or changed by mutual written agreement.

A. ORDERING, COMPLETING AND REVIEWING INSPECTIONS AND REPORTS:

- (1) SELLER HAS: 5 (or 7) Days After Acceptance, or as applicable, discovery, to order, request or complete all reports, disclosures and information for which Seller is responsible under paragraphs 2N, 4, 5, 6, 7, 8, 10, and 14. Seller has 2 Days After receipt (or completion) of any of these items to provide it to Buyer. Buyer has 5 (or 7) Days After receipt of (I) each of the above items and (II) notice of violation of Law under paragraph 5E and Proposed Changes under paragraph 8 to review the report, disclosure or other information.
- (2) BUYER HAS: 14 (or 21) Days After Acceptance to complete all Inspections, investigations and review of reports and other applicable information for which Buyer is responsible.

B. (1) APPROVAL OR REQUEST: Within the times specified above (or paragraph 2H for loan contingency), Buyer shall provide Seller with either (I) an unconditional approval and removal of the applicable contingency, or (II) a reasonable written request that Seller Repair or take other action (or for loan contingency, cancellation if Buyer is unable to obtain the designated loan).

- (2) EFFECT OF BUYER'S REQUEST: If, pursuant to B(1), Buyer reasonably requests that Seller Repair or take other action, Buyer and Seller have 5 (or 7) Days After Seller's receipt of Buyer's request to reach mutual written agreement on Buyer's request. If (I) Seller has agreed in writing to unconditionally and completely take the action requested by Buyer, or (II) Buyer and Seller have reached a mutual written agreement with respect to those items, then the transaction shall proceed on those terms. Seller has no obligation, express or implied, to satisfy Buyer's requests.
- (3) EFFECT OF NO WRITTEN AGREEMENT ON BUYER'S REQUESTS: If, at the expiration of the time in B(2), neither B(2)(I) nor (II) has occurred, Buyer has 2 (or 5) Days to cancel this Agreement in writing.

C. ACTIVE OR PASSIVE REMOVAL OF CONTINGENCIES AND CANCELLATION RIGHTS:

- (1) ACTIVE METHOD (Applies only if checked):
 - (a) (No written request or removal by Buyer) If, within the time specified in A, Buyer does not give Seller written notice pursuant to B(1), Seller may cancel this Agreement in writing. Notwithstanding the expiration of the time specified, Buyer retains the right to give Seller written notice under B1 at any time prior to receiving Seller's written cancellation. Once Seller receives Buyer's written request or removal, Seller may not cancel this Agreement pursuant to paragraph C(1)(a).
 - (b) (No written cancellation by Buyer) If, within the time specified, Buyer does not give Seller written notice of cancellation pursuant to B(3), either Buyer or Seller may cancel this Agreement in writing at any time prior to Buyer and Seller reaching mutual written agreement with respect to any requests made pursuant to B(1).
- (2) PASSIVE METHOD: If, within the time specified, Buyer does not give Seller: (I) a reasonable written request pursuant to B(1) (or for loan contingency, cancellation if Buyer is unable to obtain the designated loan), or (II) written notice of cancellation pursuant to B(3) if no agreement is reached on Buyer's requests, then Buyer shall be deemed, as applicable, to have unconditionally approved and removed the contingency or withdrawn the request and waived any right to cancel associated with the requested item.

D. EFFECT OF REMOVAL: If Buyer removes any contingency or cancellation right by the active or passive method, as applicable, Buyer shall conclusively be deemed to have: (I) completed all Inspections, 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 inability to obtain financing if the contingency pertains to financing, unless, pursuant to B(2) or elsewhere in this Agreement, Seller agrees to make Repairs or take other action.

E. 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, Buyer and Seller agree to Sign mutual instructions to cancel the sale and escrow and release deposits, less fees and costs, to the party entitled to the funds. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Release of funds will require mutually, Signed release instructions from Buyer and Seller, judicial decision or arbitration award. A party may be subject to a civil penalty of up to \$1,000 for refusal to sign such instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).

16. FINAL VERIFICATION OF CONDITION: Buyer shall have the right to make a final inspection of the Property within 5 (or 7) Days prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm (I) Property is maintained pursuant to paragraph 9A, (II) Repairs have been completed as agreed, and (III) Seller has complied with Seller's other obligations.

17. ENVIRONMENTAL HAZARD CONSULTATION: Buyer and Seller acknowledge: (I) Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (II) Broker has made no representation concerning the applicability of any such law to this transaction, to Buyer, or to Seller, except as otherwise indicated in this Agreement; (III) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (IV) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location, and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.

18. AMERICANS WITH DISABILITIES ACT: The Americans With Disabilities Act ("ADA") prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. The ADA can require, among other things, buildings to be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker does not have the technical expertise either to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact an attorney, contractor, architect, engineer or other qualified professional of his/her own choosing to determine to what degree, if at all, the ADA impacts that principal or this transaction.

19. SECURITY DEPOSITS: Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current law, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant, in compliance with the Civil Code.

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Buyer and Seller acknowledge receipt of a copy of this page.

Buyer's Initials () ()

Seller's Initials () ()

Reviewed by _____ Date _____

Broker or Designee _____ Date _____



LIQUIDATED DAMAGES: If Buyer is to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages for breach of contract, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release Instructions from both Buyer and Seller, judicial decision or arbitration award.

BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION FOR ANY INCREASED DEPOSIT (C.A.R. FORM RID-11).

Buyer's Initials / Seller's Initials /

21. DISPUTE RESOLUTION:

A. MEDIATION: Buyer and Seller 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. Paragraphs 21B(2) and (3) below apply whether or not the Arbitration provision is initialed. 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 commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

B. ARBITRATION OF DISPUTES: (1) Buyer and Seller 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, including and subject to paragraphs 21 B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional Law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.

(2) **EXCLUSIONS FROM MEDIATION AND ARBITRATION:** 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; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death, or any right of action to which Code of Civil Procedure §337.1 or §337.15 applies. 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, shall not constitute a violation of the mediation and arbitration provisions.

(3) **BROKERS:** Buyer and Seller agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration prior to, or within a reasonable time after, the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the Agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING 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 / Seller's initials /

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Buyer and Seller acknowledge receipt of a copy of this page.
Buyer's Initials () ()
Seller's Initials () ()

Reviewed by _____ Date _____
Broker or Designer _____



22. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS: Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, OA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments, and OA 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. 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.

Exceptions to Prorations: _____

23. WITHHOLDING TAXES: Seller and Buyer agree to execute any instrument, affidavit, statement or instruction reasonably necessary to comply with federal (FIRPTA) and California withholding Law, if required (C.A.R. Forms AS-11 and AB-11).

24. PROPERTY DATA SYSTEM: Brokers are authorized to report the terms of this transaction to any Property Data System, to be published and disseminated to persons and entities authorized to use the information on terms approved by the Property Data System.

25. EQUAL OPPORTUNITY: The Property is sold in compliance with federal, state and local anti-discrimination Law.

26. 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 21A.

27. SELECTION OF SERVICE PROVIDERS: If Brokers give Buyer or Seller referrals to persons, vendors, or service or product providers ("Providers"), Brokers do not guarantee the performance of any of those Providers. Buyer and Seller may select ANY Providers of their own choosing.

28. 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. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.

29. ASSIGNMENT: Buyer shall not assign all or any part of Buyer's interests in this Agreement without first having obtained the written consent of Seller. Such consent shall not be unreasonably withheld, unless otherwise agreed in writing. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement.

30. SUCCESSORS AND ASSIGNS: This Agreement shall be binding upon, and inure to the benefit of, Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.

31. COPIES: Seller and Buyer each represent that Copies of all reports, documents, certificates, approvals, and other documents that are furnished to the other are true, correct, and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.

32. GOVERNING LAW: This Agreement shall be governed by the Laws of the state of California.

33. AUTHORITY: Any person or persons signing this Agreement represent(s) that such person has full power and authority to bind that person(s) principal, and that the designated Buyer and Seller have full authority to enter into and perform this Agreement. Entering into this Agreement, and the completion of the obligations pursuant to this contract, does not violate any Articles of Incorporation, By Laws, Partnership Agreement, or other document governing the activity of either Buyer or Seller.

34. OTHER TERMS AND CONDITIONS, including ATTACHED SUPPLEMENTS:

A. Buyer Inspection Advisory (C.A.R. Form BIA-11) _____

B. Purchase Agreement Addendum (C.A.R. Form PAA-11 paragraph numbers: _____) _____

C. Seller Financing Addendum and Disclosure (C.A.R. Form SFA-11) _____

D. Intent To Exchange Supplement (C.A.R. Form ES-14) _____

E. Purchase is subject to and contingent upon approval of the Bankruptcy Court

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Buyer and Seller acknowledge receipt of a copy of this page.

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

Reviewed by _____ Date _____
Broker or Designee _____



- A. **POTENTIALLY COMPETING BUYERS AND SELLERS:** Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Buyer may consider, make offers on or purchase other properties similar to the Property. Buyer and Seller acknowledge and consent to Broker(s)' representation of such potential buyers and sellers before, during and after Broker(s)' representation of Buyer and Seller.
- B. **CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction:
 Listing Agent Jacobson Realty Inc. (Print Firm Name) is the agent of (check one):
 the Seller exclusively; or both Buyer and Seller.
 Selling Agent Coldwell Banker/ Property Shoppe (Print Firm Name) (if not same as Listing Agent) is the agent of (check one):
 the Buyer exclusively; or the Seller exclusively; or both Buyer and Seller.
 Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
- C. **BROKERAGE:** Neither Buyer nor Seller has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as specified in this Agreement, in connection with any act relating to the Property, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this Agreement. Buyer and Seller each agree to indemnify, defend, and hold harmless the other, the Brokers specified herein, and their agents, from and against any costs, expenses or liability for compensation claimed inconsistent with the warranty and representations in this paragraph.

38. 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 relating counter offers and addenda, and any additional mutual instructions to close the transaction: 1, 2, 4, 14, 15E, 19, 22, 23, 28, 29, 34B, C, D and E, 36, 38, 40, 42A, and 43. The terms and conditions of the 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 directly from Escrow Holder and will execute such provisions upon Escrow Holder's request. 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 complete this transaction.
- B. A Copy of this Agreement shall be delivered to Escrow Holder within 3 business days after Acceptance (or _____). Escrow will be deemed open when Escrow Holder has Signed an acknowledgement of receipt of a Copy of this accepted Agreement. 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 the Agreement.
- C. Brokers are a party to the Escrow for the sole purpose of compensation pursuant to paragraphs 40 and 42A. Buyer and Seller irrevocably assign to Brokers compensation specified, respectively, in paragraphs 40 and 42A and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow. Compensation instructions can be amended or revoked only with the written consent of Brokers.

39. Buyer and Seller acknowledge and agree that: (i) Brokers do not decide what price Buyer should pay or Seller should accept; (ii) Brokers do not guarantee the performance or Repairs of others who have provided services or products to Buyer or Seller; and (iii) they will seek legal, tax, insurance, title and other desired assistance from appropriate professionals. Buyer and Seller further acknowledge and agree that Brokers: (i) do not guarantee the condition of the Property; (ii) shall not be responsible for defects that are not known to Broker(s); (iii) cannot identify Property boundary lines; (iv) cannot verify inspection reports, square footage or representations of others; (v) cannot provide legal or tax advice; and (vi) will not provide other advice or information that exceeds the knowledge, education and experience required to obtain a real estate license.

~~40.~~ **BROKER COMPENSATION FROM BUYER:** Upon Close Of Escrow, Buyer agrees to pay compensation for services as follows: 2% listing and 2% selling commission to Jacobson Realty Inc. and Coldwell Banker, Broker.

41. **TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the above terms and conditions. All paragraphs with spaces for initials by Buyer and Seller are incorporated in this Agreement only if initialed by all parties. If at least one but not all parties initial, a counter offer is required until agreement is reached. Unless Acceptance of offer is Signed by Seller, and a Copy of the Signed offer is personally received by Buyer, or by Jerry Michaels/Coldwell Banker, who is authorized to receive it, by (date) 06/12/2002, at 5:00 AM PM, the offer shall be deemed revoked and the deposit shall be returned. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to communication of Acceptance as above.

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Buyer and Seller acknowledge receipt of a copy of this page.

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

Reviewed by _____ Date _____
Broker or Designee _____ Date _____



Buyer has read and acknowledges receipt of a Copy of the offer and agrees to the above information 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.

BUYER _____ Date JUNE 11/02
By _____
Name Printed Jim Exon
Title _____
Address P.O. Box 1445
Ojai, Ca 93023
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

BUYER _____ Date _____
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

42. BROKER COMPENSATION FROM SELLER:

A. Upon Close Of Escrow, Seller agrees to pay compensation for services as follows:
2% of sales price to Jacobson Realty Inc., Broker, and
2% of sales price to Coldwell Banker/ Property Shoppe, Broker, and
(if checked) an administrative/transaction fee of \$ _____ to _____ Broker
(or, if not completed, as per listing agreement).

B. (1) If escrow does not close, compensation in paragraph 42A is payable: (I) upon Seller's default if completion of sale is prevented by default of Seller; or (II) when and if Seller collects damages from Buyer, by suit or otherwise, if completion of sale is prevented by default of Buyer and then in an amount equal to one-half of the damages recovered, but not to exceed the above compensation, after first deducting title and escrow expenses and the expenses of collection, if any. (2) In any action, proceeding or arbitration relating to the payment of compensation in paragraph 42A or B, the prevailing party shall be entitled to reasonable attorney fees and costs, except as provided in paragraph 21A.

43. 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, agrees to sell the Property on the above terms and conditions, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to deliver a Signed Copy to Buyer.
 (if checked) SUBJECT TO ATTACHED COUNTER OFFER, DATED June 12, 2002

SELLER _____ Date 6/12/02
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

SELLER _____ Date _____
By _____
Name Printed _____
Title _____
Address _____
Telephone _____ Fax _____ Email _____
Notice Address, if different _____

Agency relationships are confirmed as above. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

Agent who submitted offer for Buyer acknowledges receipt of deposit, if any, if specified in paragraph 2A:
Real Estate Broker (Selling Firm Name) Coldwell Banker/ Property Shoppe By Terry Michael Date 6/12/02
Address 727 W. Ojai Ave. Phone/Fax/Email 805-646-7288 x107
Real Estate Broker (Listing Firm Name) Jacobson Realty Inc. By Jana Padua Date 6/12/02
Address 445 Rosewood Ave. ste. J, Camarillo Phone/Fax/Email 805-389-4747

(/ /) **ACKNOWLEDGMENT OF RECEIPT:** Buyer or authorized agent acknowledges receipt of Signed Acceptance on (Initials) _____ (date) _____, at _____ AM PM.

Escrow Holder Acknowledgment:
Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, a deposit in the amount of \$ 5,000.00), counter offer numbers and BIA, and agrees to act as Escrow Holder subject to paragraph 38 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.
The date of communication of Acceptance of the Agreement as between Buyer and Seller is 6/12/02
Escrow Holder Chicago Title Company Escrow # 24013567
By Lexi Howard Date 6/12/02
Address 1727 - D East Duly Dr. Camarillo CA 93010 Phone/Fax/E-mail 805-987-0481
Escrow Holder is licensed by the California Department of Corporations, Insurance, Real Estate, License # 350

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REAL ESTATE BUSINESS SERVICES, INC.
a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS®
525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____ Date _____
Broker or Designee _____





BUYER'S INSPECTION ADVISORY

Property Address: 510/520 El Roblar, Ojai (unincorporated, Ca 93023

("Property")

(The definitions in C.A.R. Form RPA-11 are applicable to this Form BIA-11.)

A. IMPORTANCE OF PROPERTY INSPECTION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, you should conduct thorough inspections of the Property personally and with professionals 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 the professionals recommend further investigation, tests or 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 investigations, tests or 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 the investigation and verification of information and facts that you know or are within your diligent attention and observation. The purchase agreement gives you the right to inspect the Property. If you exercise these rights, 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. You have the right to request that Seller make Repairs, corrections or take other action based upon items discovered in your inspections or disclosed by Seller. If Seller is unwilling or unable to satisfy your requests, and you do not want to purchase the Property in its disclosed and discovered condition, you have the right to cancel the Agreement. If you do not timely and properly cancel the Agreement if you do not perform on the contract because of the condition of the Property, you may be in breach of contract.

C. SELLER RIGHTS AND DUTIES: Seller is required to disclose to you all material facts known to him/her that affect the value or desirability of the Property. However, Seller may not be aware of some Property defects or conditions. Seller does not have an obligation to inspect the Property for your benefit nor is Seller obligated to repair, correct or otherwise cure known defects that are disclosed to you or previously unknown defects that are discovered by you or your inspectors during escrow. The purchase agreement obligates Seller to make the Property available to you for inspections.

D. BROKER OBLIGATIONS: Brokers do not have expertise and therefore cannot advise you on many items, such as soil stability, geologic conditions, hazardous substances, structural conditions of the foundation or other improvements, or the condition of the roof, heating, air conditioning, plumbing, electrical, sewer, septic, waste disposal, or other system. The only way to accurately determine the condition of the Property is through an inspection by an appropriate professional selected by you. If Broker gives you referrals to such professionals, Broker does not guarantee their performance. You may select any professional of your choosing. In sales involving residential dwellings with no more than four units, Brokers have a duty to make a diligent visual inspection of the accessible areas of the Property, and to disclose the results of that inspection. However, as some Property defects or conditions may not be discoverable from a visual inspection, it is possible Brokers are not aware of them. If you have entered into a written agreement with a Broker, the specific terms of that agreement will determine the nature and extent of that Broker's duty to you. 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.

E. YOU ARE ADVISED TO CONDUCT INSPECTIONS OF THE ENTIRE PROPERTY, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:

- 1. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS: Foundation, roof, plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa, and other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property. (Structural engineers are best suited to determine possible design or construction defects, and whether improvements are structurally sound.)
2. 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 and cannot be verified by Brokers. Fences, hedges, walls, retaining walls, and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. (Professionals such as appraisers, architects, surveyors, or civil engineers are best suited to determine square footage, dimensions and boundaries of the Property.)
3. PEST CONTROL: Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms and other infestation or infection. (A registered structural pest control company is best suited to perform these inspections.)

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REVISION DATE 10/2000 BIA-11 (PAGE 1 OF 2)

Buyer acknowledges receipt of a copy of this page.

Buyer's Initials () ()

Reviewed by Broker or Designee Date



BUYER'S INSPECTION ADVISORY (BIA-11 PAGE 1 OF 2)

Agent: Char & Jerry Michaels

Broker: Coldwell-Banker Prop Shoppe 727 W OJAI AVE, OJAI, CA 93023

Prepared using WINForms® software

4. **SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage. (Geotechnical engineers are best suited to determine such conditions, causes, and remedies.)
5. **ROOF:** Present condition, age, leaks, and remaining useful life. (Roofing contractors are best suited to determine these conditions.)
6. **POOL/SPA:** Cracks, leaks or operational problems. (Pool contractors are best suited to determine these conditions.)
7. **WASTE DISPOSAL:** Type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
8. **WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS:** Water and utility availability, use restrictions, and costs. Water quality, adequacy, condition, and performance of well systems and components.
9. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel, oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances including mold (airborne, toxic or otherwise), fungus or similar contaminant, materials, products, or conditions. (Read the booklets "Environmental Hazards: A Guide for Homeowners and Buyers," "Protect Your Family From Lead in Your Home," or consult an appropriate professional.)
10. **EARTHQUAKE AND FLOOD; HAZARD AND OTHER INSURANCE:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood. These and other conditions including age of Property may affect the availability and need for certain types of insurance. Since the time it may take to obtain certain types of insurance may vary, Buyer should not wait to explore these options. (An Insurance agent, Geologist, or Geotechnical Engineer is best suited to provide information on these conditions.)
11. **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. (Such information is available through appropriate governmental agencies and private information providers. Brokers are not qualified to review, or interpret any such information.)
12. **RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that may limit the rent, the maximum number of occupants, and the right 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. (Local government agencies can provide information about these restrictions and other requirements.)
13. **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. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property will not be in compliance with these requirements. (Local government agencies can provide information about these restrictions and other requirements.)
14. **NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other governmental services, availability, adequacy and the cost of any speed wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, 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.

Buyer acknowledges and agrees that Brokers: (a) do not guarantee the condition of the Property; (b) shall not be responsible for defects that are not known to Broker(s) or are not visually observable in reasonably and normally accessible areas of the Property; (c) have not verified square footage, representations made by others, or other information contained in inspection reports, Multiple Listing Service, advertisements, flyers, or other promotional material, unless otherwise agreed in writing; (d) do not guarantee the performance of others who have provided services or products to Buyer or Seller; (e) do not guarantee the adequacy or completeness of Repairs made by Seller or others; (f) cannot identify Property boundary lines; and (g) do not decide what price a buyer should pay or a seller should accept. Buyer agrees to seek desired assistance from appropriate professionals.

By signing below, Buyer acknowledges receipt of a Copy of this document. Buyer is encouraged to read it carefully.

Buyer Signature _____ Date JUNE 11/02
 Buyer Signature _____ Date _____

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