Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address

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☐ *Individual appearing without attorney*
☒ *Attorney for:* Debtors and Debtors in Possession

FOR COURT USE ONLY

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re:

YIM POOI WONG aka Jimmy Wong
LAI HUNG WONG aka Polly Wong,

Debtor(s).

CASE NO.: 2:21-bk-17515-VZ

CHAPTER: 11

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: 05/03/2022	**Time:** 11:00 am
Location: United States Bankuptcy Court, Courtroom 1368, 255 E. Temple Street, Los Angeles, CA 90012	

Type of Sale: ☒ Public ☐ Private **Last date to file objections**: 04/19/2022

Description of property to be sold: 28-Unit apartment building located at 8335 Willis Ave, Panorama City, CA 91402

Terms and conditions of sale: See attached Sale Motion

Proposed sale price: $5,900,000.00 subject to overbids described in the attached Sale Motion

Overbid procedure (*if any*): Subject to overbids described in the attached Sale Motion

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

May 3, 2022 at 11:00 a.m.
United States Bankruptcy Court
Courtroom 1368
255 E. Temple Street
Los Angeles, CA 90012

Contact person for potential bidders (*include name, address, telephone, fax and/or email address*):

Melissa Davis Lowe
Shulman Bastian Friedman & Bui LLP
100 Spectrum Center Drive, Suite 600
Irvine, California 92618
Telephone: (949) 340-3400
Facsimile: (949) 340-3000
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Date: 04/12/2022

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address

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☐ *Individual appearing without attorney*
☒ *Attorney for:* Debtors and Debtors in Possession

FOR COURT USE ONLY

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re:

YIM POOI WONG aka Jimmy Wong
LAI HUNG WONG aka Polly Wong,

Debtor(s).

CASE NO.: 2:21-bk-17515-VZ

CHAPTER: 11

NOTICE OF MOTION FOR:

Motion for Order: (1) Approving the Sale of Real Property of the Estate Co-Owned With Non-Debtor Third Party Free and Clear of Certain Liens Pursuant to Bankruptcy Code §§ 363(b)(1), 363(f), and 363(h), et al.
[8335 Willis Avenue, Panorama City, CA 91402]

(***Specify name of Motion***)

DATE: 05/03/2022
TIME: 11:00 am
COURTROOM: Courtroom 1368
PLACE: U.S. Bankruptcy Court
255 E. Temple Street
Los Angeles, CA 90012

1. TO (*specify name*): United States Trustee, all creditors and parties in interest listed on the attached proof of service

2. NOTICE IS HEREBY GIVEN that on the following date and time and in the indicated courtroom, Movant in the above-captioned matter will move this court for an Order granting the relief sought as set forth in the Motion and accompanying supporting documents served and filed herewith. Said Motion is based upon the grounds set forth in the attached Motion and accompanying documents.

3. **Your rights may be affected**. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)

4. **Deadline for Opposition Papers:** This Motion is being heard on regular notice pursuant to LBR 9013-1. If you wish to oppose this Motion, you must file a written response with the court and serve a copy of it upon the Movant or Movant's attorney at the address set forth above no less than fourteen (14) days prior to the above hearing date. If you fail to file a written response to this Motion within such time period, the court may treat such failure as a waiver of your right to oppose the Motion and may grant the requested relief.

5. **Hearing Date Obtained Pursuant to Judge's Self-Calendaring Procedure:** The undersigned hereby verifies that the above hearing date and time were available for this type of Motion according to the judge's self-calendaring procedures.

Date: 04/12/2022

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Printed name of law firm

/s/ Melissa Davis Lowe
Signature

Melissa Davis Lowe
Printed name of attorney

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Attorneys for Yim Pooi Wong and Lai Hung Wong
Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION

In re **YIM POOI WONG aka Jimmy Wong** **LAI HUNG WONG aka Polly Wong,** Debtors.	Case No. 2:21-bk-17515-VZ Chapter 11 **DEBTORS' MOTION FOR ORDER:** **(1) APPROVING THE SALE OF REAL PROPERTY OF THE ESTATE CO-OWNED WITH NON-DEBTOR THIRD PARTY FREE AND CLEAR OF LIENS PURSUANT TO BANKRUPTCY CODE §§ 363(b)(1), 363(f), AND 363(h) SUBJECT TO AUCTION AND COURT APPROVED BIDDING PROCEDURES;** **(2) APPROVING PAYMENT OF REAL ESTATE COMMISSION AND OTHER COSTS; AND** **(3) GRANTING RELATED RELIEF;** **MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATIONS OF LAI HUNG WONG AND CHRIS TRESP IN SUPPORT** **Real Property located at:** **8335 Willis Avenue, Panorama City, CA 91402** **Hearing Date**: Date: May 3, 2022 Time: 11:00 a.m. Place: Courtroom 1368 United State Bankruptcy Court 255 E. Temple Street Los Angeles, CA 90012

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TO THE HONORABLE VINCENT P. ZURZOLO, UNITED STATES BANKRUPTCY JUDGE, UNITED STATES TRUSTEE, ALL CREDITORS, AND ALL INTERESTED PARTIES AND THEIR COUNSEL:

Yim Pooi Wong and Lai Hung Wong, the debtors and debtors in possession herein ("Debtors"), bring this *Motion for Order: (1) Approving the Sale of Real Property of the Estate Co-Owned With Non-Debtor Third Party Free and Clear of Certain Liens Pursuant to Bankruptcy Code §§ 363(b)(1), 363(f), and 363(h) Subject to Auction and Court Approved Bidding Procedures; (2) Approving Payment of Real Estate Commission; and (3) Granting Related Relief* ("Motion").

I. SUMMARY OF ARGUMENT

Under the Sale Procedures Order[1] and the Sale Stipulation,[2] the Debtors reached an agreement with the Co-Owner of the Property[3] regarding the competitive bid and sale process for the orderly sale of the Property. The Debtors and the Co-Owner have received an offer for the Property from Ron Mayer-Mayer Capital, or their assignee (collectively the "Buyer") of $5,900,000.00, subject to overbids at an auction ("Auction") to be held prior to the hearing on this Motion in accordance with an agreed schedule with the Co-Owner under the Sale Stipulation. A true and correct copy of the Residential Income Purchase Agreement and Joint Escrow Instructions and its addenda (collectively the "Agreement") is attached to the Declaration of Lai Hung Wong ("Wong Declaration") as **Exhibit 1**. After payment of the lender lien impacting the Property, secured real property taxes and costs of the sale including a three percent broker commission, the Debtors are

---

[1] On March 3, 2022, the Court entered that certain Order Granting Debtors' Motion for Order: (1) Approving Procedures in Connection with the Sale of Certain Jointly Owned Real Properties Pursuant to Stipulation of the Co-Owners; (2) Scheduling Hearing on Separate Motion to Approve the Sale of Real Property; and (3) Granting Related Relief Pursuant LBR-600401(b) [docket 244] ("Sale Procedures Order").

[2] The Stipulation Regarding Marketing and Sale of Jointly Owned Properties ("Sale Stipulation") was approved under the Sale Procedures Order and was attached as Exhibit 1 to the Motion for Order: (1) Approving Procedures in Connection with the Sale of Certain Jointly Owned Real Properties Pursuant to Stipulation of the Co-Owners; (2) Scheduling Hearing on Separate Motion to Approve the Sale of Real Property; and (3) Granting Related Relief Pursuant LBR-600401(b) [docket 233].

[3] The Debtors through their respective trusts [Yim Pooi Wong, individually and as trustee of the Yim Pooi Wong Revocable Trust dated 8/1/1998 amended 10/31/2014; Lai Hung Wong, individually and as trustee of the Lai Hung Wong Revocable Trust dated 8/1/1998, amend 10/31/2014] are co-owners with Chik Pui Wong ("Chris Wong or "Co-Owner") of the real property located at 8335 Willis Avenue, Panorama City, CA 91402 ("Property"). The Debtors have a 5/7th ownership interest in the Property and Chris Wong holds a 2/7th interest.

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estimated to receive net sale proceeds for their interest in the Property of approximately $2,113,843.10, which amount may increase in the event of a successful overbid.

Upon the close of the Auction, the Debtors and the Co-Owner shall determine the Successful Bid. Under the Sale Stipulation, the Co-Owner will then have up until the time of hearing on the Motion to give notice of his intent to exercise his Section 363(i) rights of first refusal with respect to the purchase of the Debtors' interest in the Property. At the hearing on the Motion, the Debtor will seek an order approving the sale of the Property to either the Successful Bidder or the Co-Owner pursuant to the Co-Owner's Section 363(i) rights of first refusal under the Sale Stipulation. The hearing date of May 3, 2022 on the Motion is subject to a continuance, as may be necessary, to allow the Co-Owners at least ten (10) days following the Auction to consider whether they will exercise their rights of first refusal.

It is believed that the proposed sale price is for fair market value. Pursuant to the Sale Procedures Order and the Sale Stipulation, the Debtors and the Co-Owner, with the assistance of CBRE, Inc. ("Broker"), have invested significant time marketing the Property. There have been multiple inquiries and five offers were received. The Buyer's offer is the result of negotiations for the highest and best offer. The proposed sale to the Buyer subject to overbids is anticipated to provide the Debtors with significant net proceeds for funding their Plan.[4] The proposed sale will assist the Debtors in their reorganization goals to generate funds to pay creditors in full and assist the Debtors in attaining the most value for the Property for the benefit of the Estate.

In summary, the relief requested in the Motion is based on the Debtors' reasonable business judgment that sale will benefit the Estate and creditors and therefore approval of the Motion is proper. Therefore, good cause exists to grant the Motion so that this favorable business opportunity is not lost.

[4] The Debtors' 1st Amended Disclosure Statement [docket 223] was approved by the Court pursuant to order entered on April 5, 2022 [docket 266] and a hearing on confirmation of the Debtors' Plan of Reorganization ("Plan") [docket 224] is scheduled for June 9, 2022

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II. RELEVANT FACTS

A. The Bankruptcy Case

On September 27, 2021 ("Petition Date"), the Debtors filed their voluntary petition under chapter 11 of the Bankruptcy Code.

The Debtors continue to operate their business and manage their properties as debtors in possession as authorized by 11 U.S.C. §§1107(a) and 1108.

B. Debtors' Business Operations

The Debtors have built a successful real estate investment business, accumulating interests in properties with a total value in excess of $60 million and over $30 million in net equity. As of the Petition Date, individually and in partnership with third parties or through LLCs that they own and control, the Debtors have an interest in 17 income income-producing real property assets.

C. The State Court Action

In March 2017, Chris Wong and Mary Wong initiated the State Court Action entitled *Chik Pui Wong, et al. v. Yim Pooi Wong, et al.*, filed in Los Angeles County Superior Court, Case No. BC655122 against the Debtors in connection with the seven jointly owned real properties, including the Property that is the subject of this Motion. On August 27, 2021, Judgment was entered against the Debtors and in favor of Chris Wong and Mary Wong in the amount of $7,803,901.88 ("State Court Judgment"). The Debtors appealed the State Court Judgment to the California Court of Appeals, Second District, Case No. B314931, pursuant to the Notice of Appeal filed September 7, 2021 ("Appeal"). Although the State Court Action has been stayed by the Debtors' bankruptcy filing, the Debtors have obtained relief from the stay to pursue the Appeal.

D. The Sale Procedures Order and the Sale Stipulation

On March 3, 2022, the Court entered the Sale Procedures Order [docket 244]. The Sale Stipulation with the Co-Owner was approved under the Sale Procedures Order. The Sale Stipulation provided for the terms regarding a competitive bid and sale process for the orderly sale of the Property. The offer for the Property from the Buyer that is the subject of this Motion is the result of the orderly sale process agreed to by the Debtors and the Co-Owner under the Sale Stipulation.

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Of note, the Sale Stipulation provides that the Co-Owner shall have at least ten days after the Auction and determination of the Successful Bid to decide whether he will exercise his Section 363(i) rights of first refusal to purchase the Property.

E. <u>The Property</u>

Property of the Estate includes the Property, a 28-Unit apartment building located in Los Angeles County at 8335 Willis Avenue, Panorama City, CA 91402. Attached as **Exhibit 2** to the Wong Declaration is a true and correct copy of a preliminary title report ("Title Report") which lists the liens and encumbrances impacting the Property.

The Debtors through their respective trusts [Yim Pooi Wong, individually and as trustee of the Yim Pooi Wong Revocable Trust dated 8/1/1998 amended 10/31/2014; Lai Hung Wong, individually and as trustee of the Lai Hung Wong Revocable Trust dated 8/1/1998, amended 10/31/2014] are co-owners of the Property with Chris Wong. The Debtors have a 5/7th ownership interest in the Property and Chris Wong has a 2/7th interest in the Property.

On their Schedules A/B and D, the Debtors (i) valued the Property at $5,294,704.90 based on an appraisal for the Property as of January 25, 2021, and (ii) listed one lien in favor of JPMorgan Chase Bank, N.A. ("Chase Bank") of $1,179,248.11. On January 24, 2022, Chase Bank filed a secured Claim 14 asserting an amount owed of $1,175,864.06. Since the Petition Date, the Debtors have been paying and intend to continue paying this claim in the ordinary course of business pursuant to the loan documents with Chase Bank entered into prior to the Petition Date and as such, the Debtors believe that the ultimate amount owed on account of Claim 14 on the Effective Date will be reduced to reflect such payments. Through escrow on the sale of the Property, the amount owed to Chase Bank will be paid in full, or in an amount as agreed to by the secured creditor.

On December 17, 2021, the Debtors filed a Complaint for Sale of Property under 11 U.S.C. §363(h) against Chris Wong and Mary Wong seeking to sell both the Estate's interest and the interest of Chris and Mary Wong in the Property (and other real property jointly owned by Chris Wong) under 11 U.S.C. §363(h). This commenced Adversary Case No. 2:21-ap-1250-VZ ("Adversary Action"). On January 14, 2022, Chris Wong and Mary Wong filed an Answer in the

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Adversary Action. A continued status conference in the Adversary Action is currently set for May 5, 2022, but the Debtors expect it will be further continued to allow this Motion to be heard.

F. <u>Broker Employment, Marketing Efforts and Basis for Value of the Property</u>

On December 20, 2021, the Court entered an order [docket 175] approving the Debtors Motion in Individual Chapter 11 Case for Order Authorizing Debtors in Possession to Employ Professional [docket 86] and authorizing the Debtors to employ CBRE, Inc. as their real estate Broker for the Property. The Broker agreed that its commission for the Property would be three percent (3%) of the total purchase price and that in the event any broker or agent other than CBRE Inc. represented a purchaser of the Property, the commission would be split between CBRE Inc., and the broker representing the purchaser.

Pursuant to the Sale Procedures Order and the Sale Stipulation, the Broker has marketed the Property across multiple channels since early February 2022. The Broker prepared a comprehensive marketing package and contacted potential buyers by telephone, email, and hard mail, in addition to listing the Property on the MLS, Loopnet, CoStar, and on its own website. The Broker targeted local buyers, 1031 exchange buyers and its national database of customers and potential buyers.

The best determination of price is the market, which has spoken. There have been multiple inquiries and five offers were received. The Buyer's offer is the result of negotiations for the highest and best offer.

The proposed sale to the Buyer subject to overbids is anticipated to provide the Debtors with significant net proceeds for funding their Plan. After payment of the lender liens impacting the Property, secured real property taxes and costs of the sale including a three percent broker commission, the Debtors are estimated to receive net sale proceeds for their interest in the Property of approximately $2,113,843.10, which amount may increase in the event of a successful overbid.

Further, the Broker has more than eighteen years of experience in the sale of real property as well as property valuations and is familiar with valuing real property in today's economic environment. The Broker has advised the Debtor that it believes the current sale price is consistent with local area comparable properties.

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Because the best determination of price is the market, and because the proposed sale is subject to overbids, the sale will be at fair market value. Based on this, it is anticipated that the Debtors will receive the best and highest value for the Property and therefore the proposed sale price is fair and reasonable.

G. <u>Sale Information in Compliance with Local Bankruptcy Rule 6004-1(c)(3)</u>

The following chart provides information on the sale in compliance with Local Bankruptcy Rule ("LBR") 6004-1(c)(3):

LBR 6004-1(c)(3) Requirement	Information
LBR 6004-1(c)(3)(A) Date, Time, and Place of hearing on the proposed sale:	Hearing Date and Time: May 3, 2022 at 11:00 a.m. Hearing Place: U.S. Bankruptcy Court, Courtroom 1368, 255 E. Temple Street, Los Angeles, CA 90012
LBR 6004-1(c)(3)(B) Name and address of the proposed buyer:	Ron Mayer – Mayer Capital or their assignee Address: 4550 Wilshire Blvd., Los Angeles, CA 90010
LBR 6004-1(c)(3)(C) Description of the property to be sold:	Real property located at: 8335 Willis Avenue, Panorama City, CA 91402 28-unit apartment building
LBR 6004-1(c)(3)(D) Terms and conditions of the proposed sale, including the price and all contingencies:	Buyer has offered $5,900,000.00, subject to the Bidding Procedures set forth below. Buyer is paying all cash and is purchasing the Property "AS IS" without warranties of any kind, expressed or implied, being given by the Debtors or the Co-Owner, concerning the condition of the Property or the quality of the title thereto, or any other matters relating to the Property.
LBR 6004-1(c)(3)(E) Whether the proposed sale is free and clear of liens, claims or interests, or subject to them, and a description of all such liens, claims or interests:	Liens impacting the Property are identified in the Title Report. Pro-rata unpaid real property taxes will be paid. The lien of Chase Bank will be paid in amounts as agreed to by the secured creditor and such lien will be released. To the extent there are disputed unresolved liens, such unresolved liens, if any, will attach to the proceeds of the sale in the same validity and priority as prior to the sale, pending agreement with the lienholder or further Court order.
LBR 6004-1(c)(3)(F) Whether the proposed sale is subject to higher and better bids:	The sale of the Property is subject to the Bidding Procedures set forth below.

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LBR 6004-1(c)(3) Requirement	Information
LBR 6004-1(c)(3)(G) Consideration to be received by the Estate, including estimated commissions, fees and other costs of sale:	Purchase price of $5,900,000.00, or an amount as increased by successful overbid. All costs of sale, including escrow fees, and commissions will be paid at closing and are estimated to total approximately $295,000.00 (includes an estimated 2% of the purchase price, commission of 3%.) The Estate and the Buyer will each pay their own escrow fees as is customary in the County where the Property is located. The Debtors estimate that after payment of the costs of sale, the net proceeds from the sale for their interest in the Property will be approximately $2,113,843.10. The sale price and costs of sale are subject to the Court approval.
LBR 6004-1(c)(3)(H) If authorization if sought to pay commission, the identity of the auctioneer, broker, or sales agent and the amount or percentage of the proposed commission to be paid:	The real estate broker commission shall not exceed 3% of the purchase price and will be paid entirely to the Broker who has agreed to represent the Buyer. The parties have executed a Possible Representation of More Than One Buyer or Seller – Disclosure and Consent.
LBR 6004-1(c)(3)(I) A description of the estimated or possible tax consequences to the Estate, if known, and how any tax liability generated by the sale of the property will be paid:	The capital gains tax liability generated by the sale will be paid from the sale proceeds but has not yet been determined by the Debtors. Chris Wong has estimated the Debtors' tax liability at $1,046,254.00. This estimate is taken from Declaration of John Menchaca [docket 108] filed by Chris Wong in support of his opposition to employ the Broker [docket 105].
LBR 6004-1(c)(3)(J) Date which objection must be filed and served:	**Objections, if any, must be filed and served 14 days prior to the Hearing Date (or by April 19, 2022).**

III. NOTICE OF AUCTION AND BIDDING PROCEDURES

To be eligible to participate in the Auction, each offer, solicitation, or proposal (each, a "Bid"), and each individual or entity submitting such a Bid (each, a "Bidder"), must satisfy each of the following conditions; if all conditions are satisfied, the Bid will be a "Qualified Bid" and the Bidder will be a "Qualified Bidder":

1. Form. The Bid must: (a) be in writing; (b) disclose the identity of the individual or entity that will be bidding; and (c) be in the form of a duly authorized, executed, and non-contingent purchase agreement, together with all schedules, exhibits, and related documents thereto.

2. Good Faith Deposit. The Bid must be accompanied by a cash deposit in an amount equal to three percent (3%) of the Bid.

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3. Same or Better Terms. The Bid must be on terms and conditions that are substantially the same or better than, not more burdensome in any material way than, and no more conditional than the terms of the Buyer's offer for the Property ("Stalking Horse Bid") attached as **Exhibit 1** to the Wong Declaration. The Bid may not contain additional termination rights, covenants, financing or due diligence contingencies, or closing conditions, other than as may be included in the Stalking Horse Bid for the Property.

4. "As-Is," "Where-Is Condition; No Warranties. The Bid must acknowledge that the Property is being sold on an "as-is," "where-is" basis without warranties of any kind, expressed or implied, being given by the Debtors the Co-Owner, or by any person or entity acting on their behalf, concerning the condition of the Property or the quality of the Property's title, or any other matters relating to the Property. The Bidder must represent and warrant that the Bidder is purchasing the property as a result of Bidder's investigations and is not buying the property pursuant to any representation made by the Debtors, Co-Owner, or by any person or entity acting on their behalf. The Bidder must acknowledge that he/she/it has inspected the Property and upon closing of escrow, the Bidder forever waives, for himself/herself/itself, their heirs, successors and assigns, all claims against the Debtors, Debtors' Estate, Co-Owner and any person or entity acting on their behalf, including, without limitation, their agents, independent contractors, employees, and attorneys, arising or which might otherwise arise in the future, concerning the Property.

5. Corporate Authority. If the party bidding is an entity, the Bid must include written evidence that the Bidder has full power and authority (including full corporate or other organizational power and authority) to consummate the proposed transaction contemplated by the Bid.

6. Proof of Financial Ability to Perform. The Bid must provide evidence of having sufficient specifically committed funds to complete the transaction and such other documentation relevant to the Bidder's ability to qualify as the purchaser and ability to close the sale and immediately and unconditionally pay the winning bid purchase price at the close of escrow. To the extent that the Bid is not accompanied by evidence of the Bidder's capacity to consummate the transaction contemplated by the Bid with unrestricted and fully available cash, the Bid must include written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction.

7. Irrevocable. Each Bid must expressly state that it is irrevocable until the Auction is completed.

8. Bid Deadline. The Bid must be received by counsel for the Debtors and counsel for Chris Wong and Mary Wong with a copy to the Broker at the addresses below by no later than 5:00 p.m. (California time) on April 14, 2022.

Counsel for the Debtors	James C. Bastian, Jr. and Melissa Davis Lowe Shulman Bastian Friedman & Bui LLP 100 Spectrum Center Drive, Suite 600 Irvine, California 92618 Email: JBastian@shulmanbastian.com MLowe@shulmanbastian.com
Counsel for Chris Wong and Mary Wong	Jim Cracolice Cracolice & Associates 1999 S. Bascom Avenue, Suite 700 Campbell, CA 95008 Email: jrc@cracolice.com

With a copy to the Broker

Priscilla Nee and Chris Tresp
CBRE, Inc.
1840 Century Park East, Suite 900
Los Angeles, CA 90067
Email: Priscilla.Nee@cbre.com
Email: Chris.Tresp@cbre.com

9. Amount of Bid. The Bid must bid an initial amount of at least $100,000.00 over the Stalking Horse Bid (or $6,000,0000.00).

10. Affirmative Statement. Each Bid shall be accompanied by an affirmative statement that (i) all Bidders submitting such Bid have and will continue to comply with the Bidding Procedures, and (ii) the Bidder acknowledges that he/she/it has knowingly and voluntarily submitted to the exclusive jurisdiction of the United States Bankruptcy Court for the Central District of California with respect to all matters related to the terms and conditions of the sale of the Property.

11. Independent Buyer Declaration. Each Bid shall be accompanied by a declaration, signed under penalty of perjury by either the individual Bidder or an authorized representative of a non-individual Bidder with personal knowledge of the facts asserted, attesting to and providing the following:

- The full legal name or registered name of Bidder, inclusive of any *dba*, *fka*, trade name(s), or alias;
- If Bidder is a corporation, its state of incorporation, the address of its corporate headquarters, the names of its board members and the names of its shareholders;
- That Bidder does not have a relationship with the Debtors and does not intend to have a relationship with the Debtors after the sale;
- That other than the purchase price for the Property, there is no consideration contemplated to be transferred to the Debtors as part of the sale. The only consideration is the price being paid for the Property;
- That Bidder has not colluded with any other potential buyers for the purchase of the Property in an attempt to take unfair advantage of the other prospective buyers;
- That Bidder has not colluded with the Debtors regarding the purchase of the Property in any way; and
- If prior to submitting an Independent Bidder Declaration, Bidder has ever had any contact, interaction(s), transaction(s), communication(s), personal dealing(s), business dealing(s), or the like with the Debtors, Bidder shall provide a detailed list of each occurrence – include the approximate date, time and nature of same.

12. Auction for Qualified Bidders. If there is at least one Qualified Bid for the Property, prior to the hearing on the Motion an auction shall be conducted for the Property to determine the highest or otherwise best Qualified Bid. Only Qualified Bidders may participate in the Auction. Prior to the Auction, the Debtors shall provide copies of all Qualified Bids to all Qualified Bidders at the same time. The Auction shall be conducted as follows:

- Manner in which the Auction Conducted. The Auction will be held at a date, time and place to be scheduled prior to the hearing on the Motion upon telephonic notice to the Buyer and the parties having submitted overbids in order to allow all potential bidders the opportunity to overbid and purchase the Property. The Debtors' counsel, Shulman Bastian Friedman & Bui LLP shall direct and preside over the Auction. Only Qualified Bidders (or their qualified representatives) will be entitled to make any Bids at the Auction.

- Bid Increments. Minimum bid increments during the Auction shall be in the amount of $50,000.00.

- Successful Bidder. The Auction shall continue until the Debtors and Co-Owner determine that there is a highest or otherwise best Qualified Bid at the auction (a "Successful Bid," and each Bidder submitting such Successful Bid, a "Successful Bidder"). The Auction shall not close until all Bidders who have submitted Qualified Bids have been given a reasonable opportunity to submit an Overbid at the Auction to the then-existing Overbids.

- First Backup Bidder. The Qualified Bidder with the second highest or otherwise best Qualified Bid at the Auction will be designated as the first backup bidder ("First Backup Bidder"). The First Backup Bidder shall be required to keep its initial Bid (or, if the First Backup Bidder submitted one or more Overbids at the Auction, its final Overbid) ("First Backup Bid") open and irrevocable until the close of escrow on the sale of the Property.

- Second Backup Bidder. The Qualified Bidder with the third highest or otherwise best Qualified Bid at the Auction will be designated as the second backup bidder ("Second Backup Bidder"). The Second Backup Bidder shall be required to keep its initial Bid (or, if the Second Backup Bidder submitted one or more Overbids at the Auction, its final Overbid) ("Second Backup Bid") open and irrevocable until the close of escrow on the sale of the Property.

- Determination of Successful Bidder and Backup Bidders. Immediately upon the conclusion of the Auction, the Debtors and Co-Owner will attempt to agree on which Bids are the Successful Bids and backup Bids. If the parties cannot agree on which Bids are the Successful Bids and Backup Bids, the disputed issues shall be submitted to the Court for its determination as to the Successful Bids and backup Bids.

- Hearing on the Motion, At the hearing on this Motion, the Debtors will seek an order approving the sale of the Property to either the Successful Bidder or the Co-Owner pursuant to the Co-Owner's Section 363(i) rights of first refusal under the Sale Stipulation. This timeline will assist the Debtors and the Co-Owner in their compliance with the requirements under Sale Procedures Order and the Sale Stipulation which require, among other things, that the Co-Owner be given time to review the Successful Bid and determine whether he shall exercise his Section 363(i) rights of first refusal with respect to the Property. The hearing on the Motion may be continued as may be necessary, so as to not in any way impair the rights of Section 363(i) first refusal held by Co-Owner.

13. Review Period for Co-Owner – First Right of Refusal: In the event the Co-Owner exercises his right of first refusal to conduct a Section 363(i) purchase of the Property under the Sale Stipulation, the Co-Owner shall provide notice of such election prior to the hearing on the Motion in accordance with the notice procedures in the Sale Stipulation. Further, the Section 363(i) purchase of the Property by the Co-Owner shall be in accordance with the terms and conditions of the Section 363(i) sale provisions Sale Stipulation.

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14. Successful Bidder Deposit. In the event the Successful Bidder fails to close on the sale of the Property within the time parameters approved by the Court, the Debtors and the Co-Owner shall retain the Successful Bidder's Deposit and will be released from the obligation to sell the Property to the Successful Bidder and the Debtors and the Co-Owner may then sell the Property to the First Backup Bidder approved by the Court. This provision shall not apply in the event the Co-Owner elects to purchase the Property under the Section 363(i) provisions under the Sale Stipulation.

15. First Back-Up Bidder Deposit. In the event First Backup Bidder fails to close on the sale of the Property within the time parameters approved by the Court, the Debtors and the Co-Owner shall retain the First Backup Bidder's Deposit and will be released from the obligation to sell the Property to the First Backup Bidder and the Debtors and the Co-Owner may then sell the Property to the Second BackUp Bidder approved by the Court. This provision shall not apply in the event the Co-Owner elects to purchase the Property under the Section 363(i) provisions under the Sale Stipulation.

A Notice of Sale of Estate Property will be filed with the Court for posting on the Court's website under the link "Current Notices of Sales", thereby giving notice to additional potential interested parties. The Broker will update the Multiple Listing Service to reflect the Bidding Procedures. Based on the foregoing, the Debtors believe that under the circumstances of this case, the Property will have been appropriately marketed.

IV. RELIEF REQUESTED

Through the Motion (which hearing is currently set for May 3, 2022 but may need to be continued as necessary to ensure the Co-Owner has at least ten days from the Auction to consider whether they will exercise his rights of first refusal), the Debtors seek a Court order that provides for the following:

1. Authorizing the sale the Property to the Buyer (or the Successful Bidder, First Backup Bidder, Second Backup Bidder or the Co-Owner as the case may be) on an "as-is" condition, with no expressed or implied warranties, pursuant to the terms and conditions as set forth in the Sale Stipulation previously approved by the Court and the Agreement, subject to the Bidding Procedures set forth above.

2. Authorizing the sale of the Property free and clear of liens with liens not satisfied or resolved through the sale (if any) to attach to the sale proceeds in the same validity and priority as prior to the closing of the sale.

3. Authorizing the Debtors to sign any and all documents convenient and necessary in pursuit of the sale as set forth above, including but not limited to any and all conveyances contemplated by the Agreement.

4. Approving the payment of the real estate commission in the total amount not to exceed three percent of the sale price.

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5. Authorizing the Debtors to pay the following from the sale proceeds through escrow: (i) real estate taxes, (ii) amounts owed to Chase, (iii) real estate commission in the total amount not to exceed three percent (3%) of the sale price, and (iv) escrow fees and other ordinary costs of sale to be split between the Debtors and the Co-Owner on the one hand and the Buyer on the other hand in the manner customary in the County where the Property is located.

6. A determination by the Court that the Buyer (or Successful Bidder, or First Backup Bidder, or Second Backup Bidder or Co-Owner, as the case may be) is in good faith pursuant to Bankruptcy Code § 363(m).

7. Waiving the fourteen day stay of the order approving the sale of the Property under Federal Rules of Bankruptcy Procedure 6004(h).

V. LEGAL AUTHORITIES

A. There is a Good Business Reason for the Sale and the Sale is in the Best Interest of the Estate.[5]

The Debtors, after notice and hearing, may sell property of the estate. 11 U.S.C. § 363(b). Courts ordinarily will approve a proposed sale if there is a good business reason for the sale and the sale is in the best\ interests of the estate. *In re Wilde Horse Enterprises, Inc.*, 136 B.R. 830, 841 (Bankr. C.D. Cal. 1991); *In re Lionel Corp.*, 722 F.2d 1063, 1069 (2d Cir. 1983). The Debtors' proposed sale of the Property meets the foregoing criteria.

The sale accomplishes the terms set by the Sale Stipulation with the Co-Owner of the Property. The sale will also assist the Debtors in generating unencumbered cash for funding their Plan. The sale is anticipated to net the Debtors approximately $2,113,843.10, calculated as follows:

Sale Price	$5,900,000.00
Less, estimated costs of sale (estimated 2% for costs of sale and real estate broker commission of 3%, for a total of 5%)	($295,000.00)
Less, property taxes (pro-rata) (estimated)	($5,000.00)
Less, payoff to the first trust deed holder Chase Bank (amount listed on lender's Claim 14 filed with the Court on January 24, 2022)	($1,175,864.06)
Net Proceeds for Debtors and Co-Owner	$4,424,135.94
Estimated Proceeds for Co-Owner for his 2/7th interest	$1,264,038.84

[5] Although Local Bankruptcy Rule 6004-1(c)(2)(C) does not require that a memorandum of points and authorities be filed in support of the Motion, the Debtors are nevertheless submitting one.

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Estimated Proceeds for the Debtors for their 5/7th interest	$3,160,097.10
Less, Debtors' estimated capital gains taxes (based on information from Chris Wong)	($1,046,254.00)
Net Estimated Proceeds for the Debtors	$2,113,843.10

If the Court does not approve the sale transaction, the Debtors may lose the opportunity to sell the Property and cause the Estate to incur additional expenses associated with finding a new buyer for the Property.

The facts surrounding the sale support the Debtors' reasonable business decision that will serve the best interest of the Estate and its creditors. Thus, good cause exists to grant the Motion so that the Debtors do not lose the favorable business opportunity.

B. <u>The Proposed Sale Should be Allowed Free and Clear of Liens</u>

Bankruptcy Code § 363(f) allows a Chapter 11 debtor in possession to sell property of the bankruptcy estate "free and clear of any interest in such property of an entity," if any one of the following five conditions is met:

> (1) applicable non-bankruptcy law permits a sale of such property free and clear of such interest;
>
> (2) such entity consents;
>
> (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
>
> (4) such interest is in bona fide dispute; or
>
> (5) such entity could be compelled, in a legal or equitable proceeding, to accept money satisfaction of such interest.

11 U.S.C. § 363(f).

Section 363(f) is written in the disjunctive and thus only one of the enumerated conditions needs to be satisfied for Court approval to be appropriate. The Debtors propose to sell under §§ 363(f)(2), (f)(3) and under 363(f)(4).

With respect to outstanding real property taxes and Chase Bank, each will be paid through escrow on the sale in full, or in the amount consented to by the lienholder. Based thereon, the Debtors will have satisfied § 363(f)(2) and/or (f)(3).

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Out of an abundance of caution, to the extent there are any unresolved liens at closing, the Debtors propose to sell under § 363(f)(4), as unresolved liens and interests against the Property, if any, will be disputed by the Debtors and shall attach to the sale proceeds with the same force, effect, validity, and priority as such liens or interests had with respect to the Property prior to the sale.

C. <u>The Sale Can Proceed Under Bankruptcy Code Section 363(h)</u>

As noted above, the Debtors own the Property with Co-Owner. Bankruptcy Code § 363(h) provides for the sale of co-owned property as follows:

> (h) Notwithstanding subsection (f) of this section, the trustee may sell both the estate's interest, under subsection (b) or (c) of this section, and the interest of any co-owner in property in which the debtor had, at the time of the commencement of the case, an undivided interest as a tenant in common, joint tenant, or tenant by the entirety, only if—
>
> (1) partition in kind of such property among the estate and such co-owners is impracticable;
>
> (2) sale of the estate's undivided interest in such property would realize significantly less for the estate than sale of such property free of the interests of such co-owners;
>
> (3) the benefit to the estate of a sale of such property free of the interests of co-owners outweighs the detriment, if any, to such co-owners; and
>
> (4) such property is not used in the production, transmission, or distribution, for sale, of electric energy or of natural or synthetic gas for heat, light, or power.

Here, the Debtors submit that all of the elements of § 363(h) are present. Moreover, the Co-Owner consents to the sale of the Property, provided that the procedure for the sale complies with their rights of first refusal and other rights provided under the Sale Procedures Order and the Sale Stipulation.

Specifically, partition of the Property would be impracticable and a sale of only the Estate's interest would realize significantly less because the Property operates as one business and to split the units would not be practical. Further, the benefit to the Estate outweighs any detriment to the Co-Owner because he does not reside in the Property, all debts will be satisfied upon the sale, and he wants the Property to be sold. Finally, the Property is not used in the production, transmission, or distribution, for sale, of electric energy or of natural or synthetic gas for heat, light, or power.

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Based on the above, the Court can authorize the sale of both the Estate's interest and the Co-Owner's interest in the Property pursuant to Bankruptcy Code § 363(h).

Upon the closing of the sale of the Property, and the other properties at issue in the Adversary Action, the Debtors will file a stipulation with Chris Wong and Mary Wong to dismiss the Adversary Action.

D. <u>The Sale Does Not Contravene Policy</u>

As early as 1981, a court held that:

> As to whether the sale by a trustee of all of the debtor's assets must take place in the context of a confirmed reorganization plan, the case law again is clear that there is nothing objectionable about a sale of all the assets outside of a Chapter 11 plan.

In re WHET, Inc., 12 B.R. 743, 750 (Bankr. D. Mass. 1981).

Not to the contrary, the Fifth Circuit decision in *In re Braniff Airways, Inc.*, 700 F.2d 935 (5th Cir. 1983), disapproved an asset sale because the transaction at issue involved much more than a sale of property in that the documents significantly limited the debtor's reorganization options. <u>Id</u>. At 939.

The Debtors' proposed Plan includes the orderly sale of the Property. The proposed sale will assist the Debtors in their reorganization goals to generate funds to pay creditors in full and assist the Debtors in attaining the most value for the Property for the benefit of the Estate. In essence, based on good business reasons, including the current real estate market and the economics of the Debtors' situation, it is in the best interest of the creditors of this Estate that this Motion be approved.

Accordingly, the sale does not conflict with underlying bankruptcy policy. *See*, *In re Brethren Care of South Bend, Inc.*, 98 B.R. 927, 934 (Bankr. N.D. Ind. 1989) (certainty of future for tenants was good business reason and only feasible plan was liquidation, so 363 sale approved despite pending plan of reorganization).

E. <u>The Court has Authority to Waive the Fourteen-Day Stay of Sale.</u>

Federal Rule of Bankruptcy Procedure 6004(h) provides that "[a]n order authorizing the use, sale or lease of property other than cash collateral is stayed until the expiration of 14 days after entry

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of the order, unless the Court orders otherwise." Fed. Rule Bankr. P. 6004(h). The Debtors desire to close the sale of the Property as soon as practicable after entry of an order approving the sale. Accordingly, the Debtors request that the Court, in the discretion provided it under Federal Rule of Bankruptcy Procedure 6004(h), waive the fourteen-day stay requirement.

VI. CONCLUSION

Based on the reasons set forth above, the Debtors respectfully submits that good cause exists for granting the Motion[6] and requests that the Court enter an order as follows:

1. Authorizing the Debtors to sell both the interests of the Estate and of the Co-Owner in the Property pursuant to 11 U.S.C. § 363(h) to the Buyer (or the Successful Bidder, First Backup Bidder or the Second Backup Bidder as the case may be) pursuant to the terms and conditions of the Agreement and its addendums, which are attached as **Exhibit 1** to the Wong Declaration (or terms of the respective agreements of the Successful Bidder, First Backup Bidder or the Second Backup Bidder as the case may be), subject to the Co-Owner's rights of first refusal which must be exercised prior to the hearing on the Motion.(which hearing is currently set for May 3, 2022 but may need to be continued as necessary to ensure the Co-Owner has at least ten days from the Auction to consider whether they will exercise their rights of first refusal),

2. Authorizing the sale of the Property free and clear of liens pursuant to 11 U.S.C. § 363(f), with liens not satisfied through the sale, if any, to attach to the sale proceeds in the same validity and priority as prior to the closing of the sale.

3. Authorizing the Debtors to sign any and all documents convenient and necessary in pursuit of the sale, including any and all conveyances contemplated by the Agreement.

4. Approving the payment of the real estate commission in the total amount not to exceed three percent of the final purchase price, to be split in amounts as to be agreed to by the buying and selling brokers.

5. Authorizing the Debtors to pay the following from the sale proceeds through escrow: (i) real estate taxes, (ii) amounts owed to Chase, (iii) escrow fees and other ordinary costs of sale to

[6] The hearing on the Motion is currently set for May 3, 2022 but may need to be continued as necessary to ensure the Co-Owner has at least ten days from the Auction to consider whether they will exercise their rights of first refusal.

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be split between the Debtors and the Buyer in the manner customary in the County where the Property is located.

6. A determination by the Court that the Buyer (or Successful Bidder, or First Backup Bidder, or Second Backup Bidder, or Co-Owner, as the case may be) is in good faith pursuant to Bankruptcy Code § 363(m).

7. Waiving the fourteen-day stay of the order approving the sale of the Property under Federal Rules of Bankruptcy Procedure 6004(h) and thus authorizing the Debtors to close escrow as soon as practicable.

8. For such other and further relief as the Court deems just and proper under the circumstances of this case.

Respectfully submitted,

SHULMAN BASTIAN FRIEDMAN & BUI LLP

DATED: April 12, 2022

By: /s/ Melissa Davis Lowe
James C. Bastian, Jr.
Melissa Davis Lowe
Attorneys for Yim Pooi Wong and Lai Hung Wong, the Debtors and Debtors in Possession

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DECLARATION

DECLARATION OF LAI HUNG WONG

I, Lai Hung Wong, declare as follows:

1. My husband Yim Pooi Wong and I are the debtors and debtors in possession in this bankruptcy case. I am over 18 years of age and I have personal knowledge of the facts set forth herein and could, if called as a witness, competently testify thereto. I am also personally familiar with, and am a custodian of, the financial records for business affairs. I am also personally familiar with the operations of the properties referenced in this Declaration.

2. I make this Declaration in support of our *Motion for Order: (1) Approving the Sale of Real Property of the Estate Co-Owned With Non-Debtor Third Party Free and Clear of Certain Liens Pursuant to Bankruptcy Code §§ 363(b)(1), 363(f), and 363(h) Subject to Auction and Court Approved Bidding Procedures; (2) Approving Payment of Real Estate Commission; and (3) Granting Related Relief* ("Motion"). Unless otherwise noted, capitalized terms in this Declaration have the meaning set forth in the Motion.

3. On September 27, 2021 ("Petition Date"), we filed our voluntary petition under chapter 11 of the Bankruptcy Code. We continue to operate their business and manage their properties as debtors in possession as authorized by 11 U.S.C. §§1107(a) and 1108.

4. We have built a successful real estate investment business, accumulating interests in properties with a total value in excess of $60 million and over $30 million in net equity. As of the Petition Date, individually and in partnership with third parties or through LLCs we own and control, we have an interest in 17 income income-producing real property assets.

5. In March 2017, Chris Wong and Mary Wong initiated the State Court Action entitled *Chik Pui Wong, et al. v. Yim Pooi Wong, et al.*, filed in Los Angeles County Superior Court, Case No. BC655122 against the Debtors in connection with the seven jointly owned real properties, including the Property that is the subject of this Motion. On August 27, 2021, Judgment was entered in favor of Chris Wong and Mary Wong in the amount of $7,803,901.88 ("State Court Judgment"). We appealed the State Court Judgment to the California Court of Appeals, Second District, Case No. B314931, pursuant to the Notice of Appeal filed September 7, 2021 ("Appeal"). Although the

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State Court Action has been stayed by the bankruptcy filing, we have obtained relief from the stay to pursue the Appeal.

6. On March 3, 2022, the Court entered the Sale Procedures Order [docket 244]. The Sale Stipulation with the Co-Owner was approved under the Sale Procedures Order. The Sale Stipulation provided for the terms regarding a competitive bid and sale process for the orderly sale of the Property. The offer for the Property from the Buyer that is the subject of this Motion is the result of the orderly sale process agreed to under the Sale Stipulation. A true and correct copy of the purchase offer Agreement, including all addenda thereto, from the Buyer is attached here as **Exhibit 1**.

7. The Property is a 28-Unit apartment building located in Los Angeles County at 8335 Willis Avenue, Panorama City, CA 91402. Attached here as **Exhibit 2** is a true and correct copy of a preliminary title report ("Title Report") which lists the liens and encumbrances impacting the Property.

8. Through our respective trusts [Yim Pooi Wong, individually and as trustee of the Yim Pooi Wong Revocable Trust dated 8/1/1998 amended 10/31/2014; Lai Hung Wong, individually and as trustee of the Lai Hung Wong Revocable Trust dated 8/1/1998, amend 10/31/2014] we are co-owners of the Property with Chris Wong. We have a 5/7th ownership interest in the Property and Chris Wong holds a 2/7th interest.

9. I believe partition of the Property would be impracticable and a sale of only the Estate's interest would realize significantly less because the Property operates as one business and to split the units would not be practical. The Property is not used in the production, transmission, or distribution, for sale, of electric energy or of natural or synthetic gas for heat, light, or power.

10. On our Schedules A/B and D we (i) valued the Property at $5,294,704.90 based on an appraisal for the Property dated January 25, 2021, and (ii) listed one lien in favor of JPMorgan Chase Bank, N.A. ("Chase Bank") of $1,179,248.11. On January 24, 2022, Chase Bank filed a secured Claim 14 asserting amount owed of $1,175,864.06. Since the Petition Date, we have been paying and intend to continue paying this claim in ordinary course of business pursuant to the loan documents entered into with this creditor prior to the Petition Date and as such, we believe that the

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ultimate amount owed on account of this claim on the Effective Date will be reduced to reflect such payments. Through escrow on the sale of the Property, the amount owed Chase Bank will be paid in an amount as agreed to by the secured creditor.

11. On December 17, 2021, we filed a Complaint for Sale of Property under 11 U.S.C. §363(h) against Chris Wong and Mary Wong seeking to sell both the Estate's interest and the interest of Chris and Mary Wong in the Property (and other real property jointly owned by Chris Wong) under 11 U.S.C. §363(h). On January 14, 2022, Chris Wong and Mary Wong filed an Answer in the Adversary Action. A continued status conference in the Adversary Action is currently set for May 5, 2022.

12. On December 20, 2021, the Court entered an order [docket 175], approving our Motion in Individual Chapter 11 Case for Order Authorizing Debtors in Possession to Employ Professional [docket 86] and authorizing us to employ CBRE, Inc. as our real estate Broker for the Property. The Broker agreed that its commission for the Property would be three percent (3%) of the total purchase price and that in the event any broker or agent other CBRE Inc., represented a purchaser of the Property the commission would be split between CBRE Inc., and the broker representing the purchaser.

13. The proposed sale to the Buyer subject to overbids is anticipated to provide us with significant net proceeds for funding our Plan, which such calculation is included in the Motion. The proposed sale will assist us in our reorganization goals to generate funds to pay creditors in full and assist us in attaining the most value for the Property for the benefit of the Estate.

14. Because the best determination of price is the market, and because the proposed sale is subject to overbids, the sale will be at fair market value. Based on this, it is anticipated that we will receive the best and highest value for the Property and therefore the proposed sale price is fair and reasonable.

I declare under penalty of perjury under the laws of the United States of America that the facts set forth herein are true and correct. Executed at Arcadia, California on April 12, 2022.

Lai Hung Wong

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DECLARATION

DECLARATION OF CHRIS TRESP

I, Chris Tresp, declare as follows:

1. I am a licensed real estate agent in the State of California and a Senior Associate with CBRE, Inc. I am over 18 years of age and I have personal knowledge of the facts set forth herein and could, if called as a witness, competently testify thereto. I am also personally familiar with the real property referenced in this Declaration and that is the subject of the Motion.

2. I make this Declaration in reference to the Debtors' *Motion for Order: (1) Approving the Sale of Real Property of the Estate Co-Owned With Non-Debtor Third Party Free and Clear of Certain Liens Pursuant to Bankruptcy Code §§ 363(b)(1), 363(f), and 363(h) Subject to Auction and Court Approved Bidding Procedures; (2) Approving Payment of Real Estate Commission and Other Costs; and (3) Granting Related Relief* ("Motion"). Unless otherwise noted, capitalized terms in this Declaration have the meaning set forth in the Motion.

3. On December 20, 2021, the Court entered an order authorizing the Debtors to employ CBRE, Inc. ("Broker") as real estate Broker for the Property. The Broker agreed that its commission for the Property would be three percent (3%) of the total purchase price and that in the event any broker or agent other than CBRE Inc., represented a purchaser of the Property the commission would be split between CBRE Inc., and the broker representing the purchaser.

4. I have more than fifteen years of experience in the sale of real property as well as property valuations and am familiar with valuing real property in today's economic environment.

5. Pursuant to the Sale Procedures Order and the Sale Stipulation, the Broker has marketed Property across multiple channels since mid February 2022. The Broker prepared a comprehensive marketing package and contacted potential buyers by telephone, email, and, in limited instances, hard mail, in addition to listing the Property on the MLS, Loopnet, CoStar, and on its own website. CBRE targeted local buyers, 1031 exchange buyers and its national database of customers and potential buyers.

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6. The best determination of price is the market. The Property was listed for sale at $6,680,000.00. There have been multiple inquiries and showings that took place, and five offers were received ranging from $5,040,000.00 to $6,550,000.00. The Buyer's offer is the result of negotiations asking for the highest and best offer from each of the potential buyers.

I declare under penalty of perjury under the laws of the United States of America that the facts set forth herein are true and correct.

Executed at Los Angeles, California on April 12, 2022.

Chris Tresp

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Exhibit 1

Purchase Offer

CALIFORNIA ASSOCIATION OF REALTORS®

ADDENDUM No. 1

(C.A.R. Form ADM, Revised 12/21)

The following terms and conditions are hereby incorporated in and made a part of the Purchase Agreement, OR ☐ Residential Lease or Month-to-Month Rental Agreement, ☐ Transfer Disclosure Statement (Note: An amendment to the TDS may give the Buyer a right to rescind), ☐ Other _____, dated _____, on property known as ***8335 Willis Ave Panorama City, CA 91402-3548*** ("Property/Premises"), in which ***Ron Mayer - Mayer Capital, or assignee*** is referred to as ("Buyer/Tenant") and ***Chik Pui Wong, Yim Pooi Wong and Lai Hung Wong*** is referred to as ("Seller/Landlord"). Buyer/Tenant and Seller/Landlord are referred to as the "Parties."

1. Upon Buyer's removal of all Buyer's Contingencies, provided Escrow is in possession of a grant deed duly executed by Seller, sufficient to convey title to Buyer, Buyer shall instruct Escrow to release Buyer's Deposit to Seller. Seller shall hold Buyer's Deposit subject to the remaining terms and conditions of this Agreement. If Property is made unmarketable by Seller, or acts of God, or Seller should default on this Agreement, Buyer's Deposit shall be immediately returned to Buyer and deed shall be returned to Seller.

2. Seller shall provide a Tenant Estoppel Certificate for any unit without a lease or rental agreement.

3. Close of Escrow shall be 60 calendar days after Court Confirmation is received by Buyer.

4. All currently vacant units and units that become vacant in escrow shall be delivered vacant in its current condition.

5. Buyer reserves the right to obtain a loan against the Property. In the event Buyer elects to do so, this Agreement remains free and clear of any Financing or Appraisal Contingencies.

6. Buyer's offer is being accepted, and this contract is made, for purposes of selecting the offer as a stalking horse bid. Offer is subject to an auction where the Property will be sold through an overbid process conducted by the Bankruptcy Court pursuant to the overbid procedures set forth in the Addendum to Commercial Purchase Agreement made part of this contract. If no other offers are accepted during the overbid process, the contract will be binding. If another offer is the successful bid as part of the overbid process, this contract will be void, unless Buyer is the backup bidder. Owner Chris Wong's acceptance is contingent upon the Bankruptcy Court's entry of an order approving the sale of the Property.

7. The seller's names for the property are as follows:

Chik Pui Wong
Yim Pooi Wong trustee of the Yim Pooi Wong Revocable Trust Dated 8/1/1998 amended 10/31/2014
Lai Hung Wong, trustee of the Lai Hung Wong Revocable Trust Dated 8/1/1998 amended 10/31/2014

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

Buyer/Tenant DocuSigned by: Ron mayer E6263FF8823B4D9... Date 4/4/2022
Ron Mayer - Mayer Capital, or assignee

Buyer/Tenant _____ Date _____

Seller/Landlord DocuSigned by: Chris Wong F8A8CAE5EE784A6... Date 4/6/2022
Chik Pui Wong

Seller/Landlord DocuSigned by: Jimmy Wong 04FC64C3075B448... DocuSigned by: Lilly Wong 04FC64C3075B448... Date 4/6/2022
Yim Pooi Wong and Lai Hung Wong

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EQUAL HOUSING OPPORTUNITY

CALIFORNIA ASSOCIATION OF REALTORS®

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)
(C.A.R. Form AD, Revised 12/21)

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

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

SELLER'S AGENT

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

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

To the Buyer and the Seller:

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

BUYER'S AGENT

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

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

To the Buyer and the Seller:

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

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

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

SELLER AND BUYER RESPONSIBILITIES

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

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

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

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

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE SECOND PAGE.**

☒ Buyer ☐ Seller ☐ Landlord ☐ Tenant DocuSigned by: Ron mayer E6263FF8823B4D9... *Ron Mayer - Mayer Capital, or assignee* Date 4/4/2022

☐ Buyer ☐ Seller ☐ Landlord ☐ Tenant _____ Date _____

Agent *CBRE* DRE Lic. # *00409987*
Real Estate Broker (Firm)

By *Dean Zander, Chris Tresp, Priscilla Nee,* DRE Lic. # *01846401* Date _____
(Salesperson or Broker-Associate, if any)

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Exhibit 1

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

2079.13. As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:
(a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. **(b)** "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee of real property. **(c)** "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. **(d)** "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. **(e)** "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. **(f)** "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. **(g)** "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. **(h)** "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. **(i)** "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. **(j)** "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. **(k)** "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. **(l)** "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. **(m)** "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. **(n)** "Buyer's agent" means an agent who represents a buyer in a real property transaction.

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

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

2079.16 Reproduced on Page 1 of this AD form.

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

CONFIRMATION: **(c)** The confirmation required by subdivisions (a) and (b) shall be in the following form:

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

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

2079.18 (Repealed pursuant to AB-1289)

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

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

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

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

2079.23 A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

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EQUAL HOUSING OPPORTUNITY

Exhibit 1

CALIFORNIA ASSOCIATION OF REALTORS®

FAIR HOUSING & DISCRIMINATION ADVISORY

(C.A.R. Form FHDA, 10/20)

1. **EQUAL ACCESS TO HOUSING FOR ALL:** All housing in California is available to all persons. Discrimination as noted below is prohibited by law. Resources are available for those who have experienced unequal treatment under the law.
2. **FEDERAL AND STATE LAWS PROHIBIT DISCRIMINATION AGAINST IDENTIFIED PROTECTED CLASSES:**
   - **A.** FEDERAL FAIR HOUSING ACT ("FHA") Title VIII of the Civil Rights Act; 42 U.S.C. §§ 3601-3619; Prohibits discrimination in sales, rental or financing of residential housing against persons in protected classes;
   - **B.** CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT ("FEHA") California Government Code ("GC") §§12900-12996,12955; 2 California Code of Regulations ("CCR") §§12005-12271; Prohibits discrimination in sales, rental or financing of housing opportunity against persons in protected classes by providers of housing accommodation and financial assistance services as related to housing;
   - **C.** CALIFORNIA UNRUH CIVIL RIGHTS ACT ("Unruh") California Civil Code ("CC") §51; Prohibits business establishments from discriminating against, and requires full and equal accommodation, advantages, facilities, privileges, and services to persons in protected classes;
   - **D.** AMERICANS WITH DISABILITIES ACT ("ADA") 42 U.S.C. §§12181-12189; Title III of the ADA prohibits discrimination based on disability in public accommodations; and
   - **E.** OTHER FAIR HOUSING LAWS: Section 504 of Rehabilitation Act of 1973 29 U.S.C. §794; Ralph Civil Rights Act CC §51.7.; California Disabled Persons Act; CC §§54-55.32; any local city or county fair housing ordinances, as applicable.
3. **POTENTIAL LEGAL REMEDIES FOR UNLAWFUL DISCRIMINATION: Violations of fair housing laws may result in monetary civil fines, injunctive relief, compensatory and/or punitive damages, and attorney fees and costs.**
4. **PROTECTED CLASSES/CHARACTERISTICS:** Whether specified in Federal or State law or both, discrimination against persons if based on that person's belonging to, association with, or perceived membership to, any of the following classes or categories is prohibited.

Race	Color	Ancestry	National Origin	Religion
Sex	Sexual Orientation	Gender	Gender Identity	Gender Expression
Marital Status	Familial Status (family with a child or children under 18)	Source of Income (e.g., Section 8 Voucher)	Disability (Mental & Physical)	Medical Condition
Citizenship	Primary Language	Immigration Status	Military/Veteran Status	Age
Criminal History (non-relevant convictions)		Any arbitrary characteristic		

5. **THE CALIFORNIA DEPARTMENT OF REAL ESTATE REQUIRES TRAINING AND SUPERVISION TO PREVENT HOUSING DISCRIMINATION BY REAL ESTATE LICENSEES:**
   - **A.** California Business & Professions Code ("B&PC") §10170.5(a)(4) requires 3 hours of training on fair housing for DRE license renewal; Real Estate Regulation §2725(f) requires brokers who oversee salespersons to be familiar with the requirements of federal and state laws relating to the prohibition of discrimination.
   - **B.** Violation of DRE regulations or real estate laws against housing discrimination by a real estate licensee may result in the loss or suspension of the licensee's real estate license. B&PC §10177(l)(1); 10 CCR §2780
6. **REALTOR® ORGANIZATIONS PROHIBIT DISCRIMINATION**: NAR Code of Ethics Article 10 prohibits discrimination in employment practices or in rendering real estate license services against any person because of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity by REALTORS®.
7. **WHO IS REQUIRED TO COMPLY WITH FAIR HOUSING LAWS?**
   Below is a non-exclusive list of providers of housing accommodations or financial assistance services as related to housing who are most likely to be encountered in a housing transaction and who must comply with fair housing laws.
   - Sellers
   - Real estate licensees
   - Mobilehome parks
   - Insurance companies
   - Landlords
   - Real estate brokerage firms
   - Homeowners Associations ("HOAs");
   - Government housing services
   - Sublessors
   - Property managers
   - Banks and Mortgage lenders
8. **EXAMPLES OF CONDUCT THAT MAY NOT BE MOTIVATED BY DISCRIMINATORY INTENT BUT COULD HAVE A DISCRIMINATORY EFFECT:**
   - **A.** Prior to acceptance of an offer, asking for or offering buyer personal information or letters from the buyer, especially with photos. Those types of documents may inadvertently reveal, or be perceived as revealing, protected status information thereby increasing the risk of **(i)** actual or unconscious bias, and **(ii)** potential legal claims against sellers and others by prospective buyers whose offers were rejected.
   - **B.** Refusing to rent **(i)** an upper level unit to an elderly tenant out of concern for the tenant's ability to navigate stairs or **(ii)** a house with a pool to a person with young children out of concern for the children's safety.
9. **EXAMPLES OF UNLAWFUL OR IMPROPER CONDUCT BASED ON A PROTECTED CLASS OR CHARACTERISTIC:**
   - **A.** Refusing to negotiate for a sale, rental or financing or otherwise make a housing opportunity unavailable; failing to present offers due to a person's protected status;
   - **B.** Refusing or failing to show, rent, sell or finance housing; "channeling" or "steering" a prospective buyer or tenant to or away from a particular area due to that person's protected status or because of the racial, religious or ethnic composition of the neighborhood;
   - **C.** "Blockbusting" or causing "panic selling" by inducing a listing, sale or rental based on the grounds of loss of value of property, increase in crime, or decline in school quality due to the entry or prospective entry of people in protected categories into the neighborhood;
   - **D.** Making any statement or advertisement that indicates any preference, limitation, or discrimination;

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EQUAL HOUSING OPPORTUNITY

CBRE, 1840 Century Park East, 9th Floor Los Angeles CA 90067 Phone: 3105502599 Fax: 8335 Willis Ave
Dean Zander
Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwolf.com

Exhibit 1

E. Inquiring about protected characteristics (such as asking tenant applicants if they are married, or prospective purchasers if they have children or are planning to start a family);
F. Using criminal history information before otherwise affirming eligibility, and without a legally sufficient justification;
G. Failing to assess financial standards based on the portion of the income responsible by a tenant who receives government subsidies (such as basing an otherwise neutral rent to income ratio on the whole rent rather than just the part of rent that is the tenant's responsibility);
H. Denying a home loan or homeowner's insurance;
I. Offering inferior terms, conditions, privileges, facilities or services;
J. Using different qualification criteria or procedures for sale or rental of housing such as income standards, application requirements, application fees, credit analyses, sale or rental approval procedures or other requirements;
K. Harassing a person;
L. Taking an adverse action based on protected characteristics;
M. Refusing to permit a reasonable modification to the premises, as requested by a person with a disability (such as refusing to allow a wheel chair bound tenant to install, at their expense, a ramp over front or rear steps, or refusing to allow a physically disabled tenant from installing, at their own expense, grab bars in a shower or bathtub);
N. Refusing to make reasonable accommodation in policies, rules, practices, or services for a person with a disability (such as the following, if an actual or prospective tenant with a disability has a service animal or support animal):
(i) Failing to allow that person to keep the service animal or emotional support animal in rental property,
(ii) Charging that person higher rent or increased security deposit, or
(iii) Failing to show rental or sale property to that person who is accompanied by the service animal or support animal, and;
O. Retaliating for asserting rights under fair housing laws.

10. EXAMPLES OF POSITIVE PRACTICES:
A. Real estate licensees working with buyers or tenants should apply the same objective property selection criteria, such as location/neighborhood, property features, and price range and other considerations, to all prospects.
B. Real estate licensees should provide complete and objective information to all clients based on the client's selection criteria.
C. Real estate licensees should provide the same professional courtesy in responding to inquiries, sharing of information and offers of assistance to all clients and prospects.
D. Housing providers should not make any statement or advertisement that directly or indirectly implies preference, limitation, or discrimination regarding any protected characteristic (such as “no children” or “English-speakers only”).
E. Housing providers should use a selection process relying on objective information about a prospective buyer's offer or tenant's application and not seek any information that may disclose any protected characteristics (such as using a summary document, e.g. C.A.R. Form SUM-MO, to compare multiple offers on objective terms).

11. FAIR HOUSING RESOURCES: If you have questions about your obligations or rights under the Fair Housing laws, or you think you have been discriminated against, you may want to contact one or more of the sources listed below to discuss what you can do about it, and whether the resource is able to assist you.
A. Federal: **https://www.hud.gov/program_offices/fair_housing_equal_opp**
B. State: **https://www.dfeh.ca.gov/housing/**
C. Local: local Fair Housing Council office (non-profit, free service)
D. DRE: **https://www.dre.ca.gov/Consumers/FileComplaint.html**
E. Local Association of REALTORS®. List available at: **https://www.car.org/en/contactus/rosters/localassociationroster**.
F. Any qualified California fair housing attorney, or if applicable, landlord-tenant attorney.

12. LIMITED EXCEPTIONS TO FAIR HOUSING REQUIREMENTS: No person should rely on any exception below without first seeking legal advice about whether the exception applies to their situation. Real estate licensees are not qualified to provide advice on the application of these exceptions.
A. Legally compliant senior housing is exempt from FHA, FEHA and Unruh as related to age or familial status only;
B. An owner of a single-family residence who resides at the property with one lodger may be exempt from FEHA for rental purposes, PROVIDED **no real estate licensee is involved** in the rental;
C. An owner of a single-family residence may be exempt from FHA for sale or rental purposes, PROVIDED **(i) no real estate licensee is involved** in the sale or rental and **(ii)** no discriminatory advertising is used, and **(iii)** the owner owns no more than three single-family residences. Other restrictions apply;
D. An owner of residential property with one to four units who resides at the property, may be exempt from FHA for rental purposes, PROVIDED **no real estate licensee is involved** in the rental; and
E. Both FHA and FEHA do not apply to roommate situations. See, *Fair Housing Council v Roommate.com LLC*, 666 F.3d 1216 (2019).
F. Since both the 14th Amendment of the U.S. Constitution and the Civil Rights Act of 1866 prohibit discrimination based on race; the FHA and FEHA exemptions do not extend to discrimination based on race.

Buyer/Tenant and Seller/Landlord have read, understand and acknowledge receipt of a copy of this Fair Housing & Discrimination Advisory.

Buyer/Tenant DocuSigned by: Ron mayer *Ron Mayer - Mayer Capital, or assignee* Date 4/4/2022
Buyer/Tenant DocuSigned by: Chris Wong F8A8CAE5EE784A6... Date
Seller/Landlord *Chik Pui Wong* Date 4/6/2022
Seller/Landlord DocuSigned by: Jimmy Wong 04FC64C3075B448... DocuSigned by: Lly Wong 4FC64C3075B448... *Yim Pooi Wong and Lai Hung Wong* Date 4/6/2022

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CALIFORNIA ASSOCIATION OF REALTORS®

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

(C.A.R. Form PRBS, Revised 12/21)

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

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

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

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

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

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

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

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

DocuSigned by: Chris Wong F8A8CAE5EE784A6...

DocuSigned by: Jimmy Wong 04FC64C3075B448...

DocuSigned by: ly Wong FC64C3075B448...

DocuSigned by: Ron mayer E6263FF8823B4D9...

Seller _____ ***Chik Pui Wong*** Date 4/6/2022

Seller _____ ***Yim Pooi Wong and Lai Hung Wong*** Date 4/6/2022

Buyer _____ ***Ron Mayer - Mayer Capital, or assignee*** Date 4/4/2022

Buyer _____ Date _____

Buyer's Brokerage Firm ***CBRE*** DRE Lic # ***00409987*** Date _____

By _____ DRE Lic # ***01846401*** Date _____

Dean Zander, Chris Tresp, Priscilla Nee, Stewart Weston

Seller's Brokerage Firm ***CBRE*** DRE Lic # ***00409987*** Date _____

By _____ DRE Lic # ***01846401*** Date _____

Dean Zander, Chris Tresp, Priscilla Nee, Stewart Weston

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EQUAL HOUSING OPPORTUNITY

Exhibit 1

CALIFORNIA ASSOCIATION OF REALTORS®

WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY

(C.A.R. Form WFA, Revised 12/21)

Property Address: ***8335 Willis Ave, Panorama City, CA 91402-3548*** ("Property").

WIRE FRAUD AND ELECTRONIC FUNDS TRANSFERS ADVISORY:

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

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

ACCORDINGLY, YOU ARE ADVISED:

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

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

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

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

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

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

Buyer/Tenant DocuSigned by: Ron mayer E6263FF8823B4D9... ***Ron Mayer - Mayer Capital, or assignee*** Date 4/4/2022

Buyer/Tenant _____ Date _____

Seller/Landlord DocuSigned by: Chris Wong F8A8CAE5EE784A6... ***Chik Pui Wong*** Date 4/6/2022

Seller/Landlord DocuSigned by: Jimmy Wong 04FC64C3075B448... DocuSigned by: Ly Wong 4FC64C3075B448... ***Yim Pooi Wong and Lai Hung Wong*** Date 4/6/2022

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EQUAL HOUSING OPPORTUNITY

Exhibit 1

CALIFORNIA ASSOCIATION OF REALTORS®

RESIDENTIAL INCOME PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. FORM RIPA, Revised 12/21)

Date Prepared: *April 4, 2022*

1. OFFER:

A. THIS IS AN OFFER FROM *Ron Mayer - Mayer Capital, or assignee* ("Buyer").
☐ Individual(s), ☐ A Corporation, ☐ A Partnership, ☐ An LLC, ☐ An LLP, or ☐ Other _____ .

B. THE PROPERTY to be acquired is *8335 Willis Ave*, situated in *Panorama City* (City), *Los Angeles* (County), California, *91402-3548* (Zip Code), Assessor's Parcel No(s). *2653-020-004* ("Property").
(Postal/Mailing address may be different from city jurisdiction. Buyer is advised to investigate.)

C. THE TERMS OF THE PURCHASE ARE SPECIFIED BELOW AND ON THE FOLLOWING PAGES.

D. Buyer and Seller are referred to herein as the "Parties." Brokers and Agents are **not** Parties to this Agreement.

2. AGENCY:

A. DISCLOSURE: The Parties each acknowledge receipt of a "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD) if represented by a real estate licensee. Buyer's Agent is not legally required to give to Seller's Agent the AD form Signed by Buyer. Seller's Agent is not legally obligated to give to Buyer's Agent the AD form Signed by Seller.

B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction.

Seller's Brokerage Firm *CBRE* License Number *00409987*
Is the broker of (check one): ☐ the Seller; or ☐ both the Buyer and Seller (Dual Agent).
Seller's Agent *Dean Zander, Chris Tresp, Priscilla Nee, Stewart Weston* License Number *01846401*
Is (check one): ☐ the Seller's Agent (Salesperson or broker associate); or ☐ both the Buyer's and Seller's Agent (Dual Agent).

Buyer's Brokerage Firm *CBRE* License Number *00409987*
Is the broker of (check one): ☐ the Buyer; or ☐ both the Buyer and Seller (Dual Agent).
Buyer's Agent *Dean Zander, Chris Tresp, Priscilla Nee, Stewart Weston* License Number *01846401*
Is (check one): ☐ the Buyer's Agent (Salesperson or broker associate); or ☐ both the Buyer's and Seller's Agent (Dual Agent).

C. ☐ More than one Brokerage represents ☐ Seller, ☐ Buyer. See, Additional Broker Acknowledgement (C.A.R. Form ABA).

D. POTENTIALLY COMPETING BUYERS AND SELLERS: The Parties each acknowledge receipt of a ☒ "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

3. TERMS OF PURCHASE AND ALLOCATION OF COSTS: The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 18 pages. The Parties are advised to read all 18 pages.

	Paragraph #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
A	5, 5B	**Purchase Price**	$ *5,900,000.00*	☐ All Cash
B		**Close of Escrow (COE)**	☒ *60* Days after Acceptance OR on ☐ _____ (date) (mm/dd/yyyy)	
C	39A	**Expiration of Offer**	3 calendar days after all Buyer Signature(s) or _____ (date), at 5PM or _____ ☐ AM/ ☐ PM	
D(1)	5A(1)	**Initial Deposit Amount**	$ *177,000.00* (*3.0* % of purchase price) (% number above is for calculation purposes and is not a contractual term)	within 3 (or _____) business days after Acceptance by wire transfer **OR** ☐ _____
D(2)	5A(2)	☐ **Increased Deposit (Money placed into escrow after the initial deposit. Use form DID at time increased deposit is made.)**	$ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	Upon removal of all contingencies **OR** ☐ _____ (date) **OR** ☐ _____
E(1)	5C(1)	**Loan Amount(s):** First Interest Rate Points If FHA or VA checked, Deliver list of lender required repairs	$ _____ (_____% of purchase price) Fixed rate or ☐ Initial adjustable rate, not to exceed _____% Buyer to pay zero points or up to _____% of the loan amount 17 (or _____) Days after Acceptance	Conventional or, if checked, ☐ FHA ☐ VA (CAR Forms FVAC, HID attached) ☐ Seller Financing ☐ Assumed Financing ☐ Subject To Financing ☐ Other: _____
E(2)	5C(2)	Additional Financed Amount Interest Rate Points	$ _____ (_____% of purchase price) Fixed rate or ☐ Initial adjustable rate, not to exceed _____% Buyer to pay zero points or up to _____% of the loan amount	Conventional or, if checked, ☐ Seller Financing ☐ Assumed Financing ☐ Subject To Financing ☐ Other: _____
E(3)	7A	**Occupancy Type**	Investment, or if checked, ☐ Primary ☐ Secondary	
F	5D	**Balance of Down Payment**	$ *5,723,000.00*	
		PURCHASE PRICE TOTAL	$ *5,900,000.00*	

DS PW DS JW DS CW

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Exhibit 1

	Paragraph #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
G(1)	5E	**Seller Credit, if any, to Buyer**	☐ $ _____ (_____% of purchase price) (% number above is for calculation purposes and is not a contractual term)	Seller credit to be applied to closing costs OR ☐ Other: _____
G(2)	**ADDITIONAL FINANCE TERMS:** _____			
H(1)	5B	**Verification of All Cash** (sufficient funds)	Attached to the offer or ☐ 3 (or _____) Days after Acceptance	
H(2)	6A	**Verification of Down Payment and Closing Costs**	Attached to the offer or ☐ 3 (or _____) Days after Acceptance	
H(3)	6B	**Verification of Loan Application**	Attached to the offer or ☐ 3 (or _____) Days after Acceptance	☐ Prequalification ☐ Preapproval ☐ Fully underwritten preapproval
I		**Intentionally Left Blank**		
J	19	**Final Verification of Condition**	5 (or _____) Days prior to COE	
K	26	**Assignment Request**	17 (or _____) Days after Acceptance	
L	8	**CONTINGENCIES**	**TIME TO REMOVE CONTINGENCIES**	**CONTINGENCY REMOVED**
L(1)	8A	**Loan(s)**	17 (or _____) Days after Acceptance	☒ No loan contingency
L(2)	8B	**Appraisal:** Appraisal contingency based upon appraised value at a minimum of purchase price or ☐ $ _____	17 (or _____) Days after Acceptance	☒ No appraisal contingency Removal of appraisal contingency does not eliminate appraisal cancellation rights in FVAC.
L(3)	8C, 15	**Investigation of Property**	17 (or _____) Days after Acceptance	REMOVAL OR WAIVER OF CONTINGENCY: Any contingency in L(1)-L(7) may be removed or waived by checking the applicable box above or attaching a Contingency Removal (C.A.R. Form CR) and checking the applicable box therein. Removal or Waiver at time of offer is against Agent advice. See paragraph 8H. ☒ **CR attached**
		Informational Access to Property Buyer's right to access the Property for informational purposes only is **NOT** a contingency and does **NOT** create additional cancellation rights for Buyer.	17 (or _____) Days after Acceptance	
L(4)	8D, 17A	**Review of Seller Documents**	17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later	
L(5)	8E, 16A	**Preliminary ("Title") Report**	17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later	
L(6)	8F, 11H	**Common Interest Disclosures** required by Civil Code § 4525 or this Agreement	17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later	
L(7)	8G, 9B(6)	**Review of leased or liened items** (Such as for solar panels or propane tanks or PACE or HERO liens)	17 (or _____) Days after Acceptance, or 5 Days after receipt, whichever is later	
L(8)	8J	**Sale of Buyer's Property** Sale of Buyer's property is not a contingency, UNLESS checked here: ☐ **C.A.R. Form COP attached**		
M		**Possession**	**Time for Performance**	**Additional Terms**
M(1)		**Vacant Units;** and **Tenant Occupied Units** being delivered subject to tenant rights	Upon notice of recordation On COE date	☐ Unit(s) _____ to be delivered vacant
M(2)	7C	**Seller Occupied**	Upon notice of recordation, OR ☐ 6 PM or _____ ☐ AM/ ☐ PM COE date or, if checked below, ☐ _____ days after COE (29 or fewer days) ☐ _____ days after COE (30 or more days)	C.A.R. Form SIP attached if 29 or fewer days. C.A.R. Form RLAS attached if 30 or more days.
N		**Documents/Fees/Compliance**	**Time for Performance**	
N(1)	17A	Seller Delivery of Documents	7 (or _____) Days after Acceptance	
N(2)	22B	Sign and return Escrow Holder General Provisions, Supplemental Instructions	5 (or _____) Days after receipt	
N(3)	11H(2)	Time to pay fees for ordering HOA Documents	3 (or _____) Days after Acceptance	
N(4)	10B(1)	Install smoke alarm(s), CO detector(s), water heater bracing	7 (or _____) Days after Acceptance	
N(5)	35	Evidence of representative authority	3 Days after Acceptance	
O		**Intentionally Left Blank**		

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P	Items Included and Excluded	
P(1)	9	**Items Included - All items specified in Paragraph 9B are included and the following, if checked:** ☐ _____. ☐ _____. ☐ _____.
P(2)		**Excluded Items:** ☐ _____; ☐ _____; ☐ _____;

Q	Allocation of Costs			
	Paragraph #	**Item Description**	**Who Pays** (if Both is checked, cost to be split equally unless Otherwise Agreed)	**Additional Terms**
Q(1)	10A, 11B(1)(A)	Natural Hazard Zone Disclosure Report, including tax information	☐ Buyer ☒ Seller ☐ Both _____ ☐ Provided by: *Seller's Choise*	☐ Environmental ☐ Other _____
Q(2)		_____ Report	☐ Buyer ☐ Seller ☐ Both _____	
Q(3)		_____ Report	☐ Buyer ☐ Seller ☐ Both _____	
Q(4)	10B(1)	Smoke alarms, CO detectors, water heater bracing	☐ Buyer ☒ Seller ☐ Both _____	
Q(5)	10A 10B(2)(A)	Government Required Point of Sale **inspections, reports**	☐ Buyer ☒ Seller ☐ Both _____	
Q(6)	10B(2)(A)	Government Required Point of Sale **corrective/remedial actions**	☐ Buyer ☒ Seller ☐ Both _____	
Q(7)	10B(4)(A)	Fire extinguishers, sprinklers, hoses	☐ Buyer ☒ Seller ☐ Both _____	
Q(8)	10B(4)(B)	Drain cover and anti-entrapment devices for pool/spa	☐ Buyer ☒ Seller ☐ Both _____	
Q(9)	22B	Escrow Fees	☐ Buyer ☐ Seller ☐ Both _____ ☒ Each to pay their own fees	Escrow Holder: *Seller's Choice*
Q(10)	16	Owner's title insurance policy	☐ Buyer ☒ Seller ☐ Both _____	Title Company (If different from Escrow Holder): *Seller's Choice*
Q(11)		Buyer's Lender title insurance policy	Buyer	Unless Otherwise Agreed, Buyer shall purchase any title insurance policy insuring Buyer's lender.
Q(12)		County transfer tax, fees	☐ Buyer ☒ Seller ☐ Both _____	
Q(13)		City transfer tax, fees	☐ Buyer ☒ Seller ☐ Both _____	
Q(14)	11H(2)	HOA fee for preparing disclosures	Seller	
Q(15)		HOA certification fee	Buyer	
Q(16)		HOA transfer fees	☐ Buyer ☐ Seller ☐ Both *N/A*	Unless Otherwise Agreed, Seller shall pay for separate HOA move-out fee and Buyer shall pay for separate move-in fee. Applies if separately billed or itemized with cost in transfer fee.
Q(17)		Private transfer fees	Seller, or if checked, ☐ Buyer ☐ Both _____	
Q(18)		_____ fees or costs	☐ Buyer ☐ Seller ☐ Both _____	
Q(19)		_____ fees or costs	☐ Buyer ☐ Seller ☐ Both _____	
Q(20)	10C	Home warranty plan: _____	☐ Buyer ☐ Seller ☐ Both _____ Issued by: _____	Cost not to exceed $ _____.
R	**Additional Tenancy Documents** ☐ Income and Expense Statements ☐ Tenant Estoppel Certificate			
S	**OTHER TERMS:** _____			

4. PROPERTY ADDENDA AND ADVISORIES: (check all that apply)

A. PROPERTY TYPE ADDENDA: This Agreement is subject to the terms contained in the Addenda checked below:

☐ Probate Agreement Purchase Addendum (C.A.R. Form PA-PA)

☐ Other _____

DS PW DS JW DS CW

 Buyer's Initials DS RM ____/ _____ Seller's Initials _____ _____

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Property Address: 8335 Willis Ave, Panorama City, CA 91402-3946 Date: April 4, 2022

B. **OTHER ADDENDA:** This Agreement is subject to the terms contained in the Addenda checked below:

[X] Addendum # 1 (C.A.R. Form ADM)
[ ] Assumed Financing Addendum (C.A.R. Form AFA)
[ ] Short Sale Addendum (C.A.R. Form SSA)
[ ] Back Up Offer Addendum (C.A.R. Form BUO)
[ ] Court Confirmation Addendum (C.A.R. Form CCA)
[ ] Septic, Well, Property Monument and Propane Addendum (C.A.R. Form SWPI)
[ ] Buyer Intent to Exchange Addendum (C.A.R. Form BXA)
[ ] Seller Intent to Exchange Addendum (C.A.R. Form SXA)
[X] Other Addendum to Comm. Purchase Agreement
[ ] Other

C. **BUYER AND SELLER ADVISORIES: (Note: All Advisories below are provided for reference purposes only and are not intended to be incorporated into this Agreement.)**

[X] Buyer's Investigation Advisory (C.A.R. Form BIA)
[X] Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
[X] Wire Fraud Advisory (C.A.R. Form WFA)
[X] Cal. Consumer Privacy Act Advisory (C.A.R. Form CCPA) (Parties may also receive a privacy disclosure from their own Agent.)
[ ] Wildfire Disaster Advisory (C.A.R. Form WFDA)
[X] Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
[ ] Trust Advisory (C.A.R. Form TA)
[ ] Short Sale Information and Advisory (C.A.R. Form SSIA)
[ ] REO Advisory (C.A.R. Form REO)
[ ] Probate Advisory (C.A.R. Form PA)
[ ] Other
[ ] Other

5. ADDITIONAL TERMS AFFECTING PURCHASE PRICE: Buyer represents that funds will be good when deposited with Escrow Holder.

A. **DEPOSIT:**

(1) **INITIAL DEPOSIT:** Buyer shall deliver deposit directly to Escrow Holder. If a method other than wire transfer is specified in **paragraph 3D(1)** and such method is unacceptable to Escrow Holder, then upon notice from Escrow Holder, delivery shall be by wire transfer.

(2) **INCREASED DEPOSIT:** Increased deposit to be delivered to Escrow Holder in the same manner as the Initial Deposit. If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount by signing a new liquidated damages clause (C.A.R. Form DID) at the time the increased deposit is delivered to Escrow Holder.

(3) **RETENTION OF DEPOSIT: Paragraph 36, if initialed by all Parties or otherwise incorporated into this Agreement, specifies a remedy for Buyer's default. Buyer and Seller are advised to consult with a qualified California real estate attorney before adding any other clause specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase. Any such clause shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.**

B. **ALL CASH OFFER:** If an all cash offer is specified in **paragraph 3A**, no loan is needed to purchase the Property. This Agreement is NOT contingent on Buyer obtaining a loan. Buyer shall, within the time specified in **paragraph 3H(1)**, Deliver written verification of funds sufficient for the purchase price and closing costs.

C. **LOAN(S):**

(1) **FIRST LOAN:** This loan will provide for conventional financing **UNLESS** FHA, VA, Seller Financing (C.A.R. Form SFA), Assumed Financing, Subject To Financing, or Other is checked in **paragraph 3E(1)**.

(2) **ADDITIONAL FINANCED AMOUNT:** If an additional financed amount is specified in **paragraph 3E(2)**, that amount will provide for conventional financing UNLESS Seller Financing (C.A.R. Form SFA), Assumed Financing, Subject To Financing, or Other is checked in **paragraph 3E(2)**.

(3) **BUYER'S LOAN STATUS:** Buyer authorizes Seller and Seller's Authorized Agent to contact Buyer's lender(s) to determine the status of any Buyer's loan specified in **paragraph 3E**, or any alternate loan Buyer pursues, whether or not a contingency of this Agreement. If the contact information for Buyer's lender(s) is different from that provided under the terms of **paragraph 6B**, Buyer shall Deliver the updated contact information within 1 Day of Seller's request.

(4) **FHA/VA: If FHA or VA is checked in paragraph 3E(1),** a FHA/VA amendatory clause (C.A.R. Form FVAC) shall be incorporated and Signed by all Parties. Buyer shall, within the time specified in **paragraph 3E(1),** Deliver to Seller written notice (C.A.R. Form RR or AEA) **(i)** of any lender requirements that Buyer requests Seller to pay for or otherwise correct or **(ii)** that there are no lender requirements. Notwithstanding Seller's agreement that Buyer may obtain FHA or VA financing, Seller has no obligation to pay or satisfy any or all lender requirements unless agreed in writing.

(5) **ASSUMED OR SUBJECT TO FINANCING:** Seller represents that Seller is not delinquent on any payments due on any loans. If the Property is acquired subject-to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.

D. **BALANCE OF PURCHASE PRICE (DOWN PAYMENT) (including all-cash funds)** to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

E. **LIMITS ON CREDITS TO BUYER:** Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender, if any, and made at Close Of Escrow. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then **(i)** the Contractual Credit from Seller shall be reduced to the Lender Allowable Credit, and **(ii)** in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.

6. ADDITIONAL FINANCING TERMS:

A. **VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Written verification of Buyer's down payment and closing costs may be made by Buyer or Buyer's lender or loan broker pursuant to **paragraph 6B**.

B. **VERIFICATION OF LOAN APPLICATIONS:** Buyer shall Deliver to Seller, within the time specified in **paragraph 3H(3)** a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in **paragraph 3E**. If any loan specified in **paragraph 3E** is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate.

C. **BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including, but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price, and to sell to Buyer in reliance on Buyer's specified financing. Buyer shall pursue the financing specified in this Agreement, even if Buyer also elects to pursue an alternative form of financing. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in this Agreement but shall not interfere with closing at the purchase price on the COE date (**paragraph 3B**) even if based upon alternate financing. Buyer's inability to obtain alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow [illegible] ent.

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Exhibit 1

7. CLOSING AND POSSESSION:

A. OCCUPANCY: Buyer intends to occupy the Property as indicated in **paragraph 3E(3)**. Occupancy may impact available financing.

B. CONDITION OF PROPERTY ON CLOSING:

(1) Unless Otherwise Agreed: **(i)** the Property shall be delivered **"As-Is"** in its PRESENT physical condition as of the date of Acceptance; **(ii)** the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and **(iii)** all debris and personal property not included in the sale shall be removed by Close Of Escrow or at the time possession is delivered to Buyer, if not on the same date. If items are not removed when possession is delivered to Buyer, all items shall be deemed abandoned. Buyer, after first Delivering to Seller written notice to remove the items within **3 Days**, may pay to have such items removed or disposed of and may bring legal action, as per this Agreement, to receive reasonable costs from Seller.

(2) **Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller and Agents may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had all required permits issued and/or finalized.**

C. SELLER REMAINING IN POSSESSION AFTER CLOSE OF ESCROW: If Seller has the right to remain in possession after Close Of Escrow pursuant to **paragraph 3M(2)** or as Otherwise Agreed, **(i)** the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; **(ii)** Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan; and **(iii)** consult with a qualified California real estate attorney where the Property is located to determine the ongoing rights and responsibilities of both Buyer and Seller with regard to each other, including possible tenant rights, and what type of written agreement to use to document the relationship between the Parties.

D. At Close Of Escrow: (i) Seller assigns to Buyer any assignable warranty rights for items included in the sale; and **(ii)** Seller shall Deliver to Buyer available Copies of any such warranties. Agents cannot and will not determine the assignability of any warranties.

E. Seller shall, on Close Of Escrow unless Otherwise Agreed and even if Seller remains in possession, provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems, intranet and Internet-connected devices included in the purchase price, garage door openers, and all items included in either **paragraph 3P** or **paragraph 9**. If the Property is a condominium or located in a common interest development, Seller shall be responsible for securing or providing any such items for Association amenities, facilities, and access. Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

8. CONTINGENCIES AND REMOVAL OF CONTINGENCIES:

A. LOAN(S):

(1) This Agreement is, **unless otherwise specified in paragraph 3L(1) or an attached CR form**, contingent upon Buyer obtaining the loan(s) specified. If contingent, Buyer shall act diligently and in good faith to obtain the designated loan(s). **If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan and Buyer is able to satisfy lender's non-appraisal conditions for closing the loan.**

(2) Buyer is advised to investigate the insurability of the Property as early as possible, as this may be a requirement for lending. Buyer's ability to obtain insurance for the Property, including fire insurance, is part of Buyer's Investigation of Property contingency. Failure of Buyer to obtain insurance may justify cancellation based on the Investigation contingency but not the loan contingency.

(3) Buyer's contractual obligations regarding deposit, balance of down payment and closing costs **are not contingencies** of this Agreement, unless Otherwise Agreed.

(4) If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.

(5) NO LOAN CONTINGENCY: If "No loan contingency" is checked in **paragraph 3L(1)**, obtaining any loan specified is NOT a contingency of this Agreement. If Buyer does not obtain the loan specified, and as a result is unable to purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

B. APPRAISAL:

(1) This Agreement is, **unless otherwise specified in paragraph 3L(2) or an attached CR form**, contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the amount specified in **paragraph 3L(2)**, without requiring repairs or improvements to the Property. Appraisals are often a reliable source to verify square footage of the subject Property. However, the ability to cancel based on the measurements provided in an appraisal falls within the Investigation of Property contingency. The appraisal contingency is solely limited to the value determined by the appraisal. For any cancellation based upon this appraisal contingency, Buyer shall Deliver a Copy of the written appraisal to Seller, upon request by Seller.

(2) **NO APPRAISAL CONTINGENCY:** If "No appraisal contingency" is checked in **paragraph 3L(2)**, then Buyer may not use the loan contingency specified in **paragraph 3L(1)** to cancel this Agreement if the sole reason for not obtaining the loan is that the appraisal relied upon by Buyer's lender values the property at an amount less than that specified in **paragraph 3L(2)**. If Buyer is unable to obtain the loan specified solely for this reason, Seller may be entitled to Buyer's deposit or other legal remedies.

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

D. REVIEW OF SELLER DOCUMENTS: This Agreement is, as specified in **paragraph 3L(4)**, contingent upon Buyer's review of Seller's documents required in **paragraph 17A**.

E. TITLE:

(1) This Agreement is, as specified in **paragraph 3L(5)**, contingent upon Buyer's ability to obtain the title policy provided for in **paragraph 16G** and on Buyer's review of a current Preliminary Report and items that are disclosed or observable even if not on record or not specified in the Preliminary Report, and satisfying Buyer regarding the current status of title. Buyer is advised to review all underlying documents and other matters affecting title, including, but not limited to, any documents or deeds referenced in the Preliminary Report and any plotted easements.

(2) Buyer has **5 Days** after receipt to review a revised Preliminary Report, if any, furnished by the Title Company and cancel the transaction if the revised Preliminary Report reveals material or substantial deviations from a previously provided Preliminary Report.

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F. **CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES (IF APPLICABLE):** This Agreement is, as specified in **paragraph 3L(6)**, contingent upon Buyer's review of Common Interest Disclosures required by Civil Code § 4525 and under **paragraph 11H** ("CI Disclosures").

G. **BUYER REVIEW OF LEASED OR LIENED ITEMS CONTINGENCY:** Buyer's review of and ability and willingness to assume any lease, maintenance agreement or other ongoing financial obligation, or to accept the Property subject to any lien, disclosed pursuant to **paragraph 9B(6)**, is, as specified in **paragraph 3L(7)**, a contingency of this Agreement. Any assumption of the lease shall not require any financial obligation or contribution by Seller. Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement if Buyer, by the time specified in **paragraph 3L(7)**, refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller-disclosed leased or liened items.

H. **REMOVAL OR WAIVER OF CONTINGENCIES WITH OFFER: Buyer shall have no obligation to remove a contractual contingency unless Seller has provided all required documents, reports, disclosures, and information pertaining to that contingency.** If Buyer does remove a contingency without first receiving all required information from Seller, Buyer is relinquishing any contractual rights that apply to that contingency. **If Buyer removes or waives any contingencies without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Agent.**

I. **REMOVAL OF CONTINGENCY OR CANCELLATION:**

(1) **For any contingency specified in paragraph 3L or 8, Buyer shall, within the applicable period specified, remove the contingency or cancel this Agreement.**

(2) For the contingencies for review of Seller Documents, Preliminary Report, and Condominium/Planned Development Disclosures, Buyer shall, within the time specified in **paragraph 3L** or **5 Days** after receipt of applicable Seller Documents, Preliminary Report, or CI Disclosures, whichever occurs later, remove the applicable contingency in writing or cancel this Agreement.

(3) If Buyer does not remove a contingency within the time specified, Seller, after first giving Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), shall have the right to cancel this Agreement.

J. **SALE OF BUYER'S PROPERTY:** This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer unless the Sale of Buyer's Property (C.A.R. Form COP) is checked as a contingency of this Agreement in **paragraph 3L(8)**.

9. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:

A. **NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the Multiple Listing Service (MLS), flyers, marketing materials, or disclosures are NOT included in the purchase price or excluded from the sale unless specified in this paragraph or **paragraph 3P** or as Otherwise Agreed. Any items included herein are components of the Property and are not intended to affect the price. All items are transferred without Seller warranty.

B. **ITEMS INCLUDED IN SALE:**

(1) All EXISTING fixtures and fittings that are attached to the Property;

(2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances and appliances for which special openings or encasements have been made (whether or not included in **paragraph 3P**), window and door screens, awnings, shutters, window coverings (which includes blinds, curtains, drapery, shutters or any other materials that cover any portion of the window), attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment (including, but not limited to, any cleaning equipment such as motorized/automatic pool cleaners, pool nets, pool covers), garage door openers/remote controls, mailbox, in-ground landscaping, water features and fountains, water softeners, water purifiers, light bulbs (including smart bulbs) and all items specified as included in **paragraph 3P**, **if currently existing and owned by Seller at the time of Acceptance.**
Note: If Seller does not intend to include any item specified as being included above because it is not owned by Seller, whether placed on the Property by Agent, stager, tenant, or other third party, the item should be listed as being excluded in **paragraph 3P** or excluded by Seller in a counter offer.

(3) Security System includes any devices, hardware, software, or control units used to monitor and secure the Property, including but not limited to, any motion detectors, door or window alarms, and any other equipment utilized for such purpose. If checked in **paragraph 3P**, all such items are included in the sale, whether hard wired or not.

(4) Home Automation (Smart Home Features) includes any electronic devices and features including, but not limited to, thermostat controls, kitchen appliances not otherwise excluded, and lighting systems, that are connected (hard wired or wirelessly) to a control unit, computer, tablet, phone, or other "smart" device. Any Smart Home devices and features that are physically affixed to the real property, and also existing light bulbs, are included in the sale. Buyer is advised to use **paragraph 3P(1)** or an addendum to address more directly specific items to be included. Seller is advised to use a counter offer to address more directly any items to be excluded.

(5) Non-Dedicated Devices: All smart home and security system included in the sale include control devices, except for any non-dedicated personal computer, tablet, or phone used to control such features. Buyer acknowledges that a separate device and access to wifi or Internet may be required to operate some smart home features and Buyer may have to obtain such device after Close Of Escrow. Buyer is advised to change all passwords and ensure the security of any smart home features.

(6) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller, within the time specified in **paragraph 3N(1)**, shall **(i)** disclose to Buyer if any item or system specified in **paragraph 3P** or **9B** or otherwise included in the sale is leased, or not owned by Seller, or is subject to any maintenance or other ongoing financial obligation, or specifically subject to a lien or other encumbrance or loan, and **(ii)** Deliver to Buyer all written materials (such as lease, warranty, financing, etc.) concerning any such item.

(7) Seller represents that all items included in the purchase price, unless Otherwise Agreed, **(i)** are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to **paragraph 9B(6)**, and **(ii)** are transferred without Seller warranty regardless of value. Seller shall cooperate with the identification of any software or applications and Buyer's efforts to transfer any services needed to operate any Smart Home Features or other items included in this Agreement, including, but not limited to, utilities or security systems.

(8) A complete inventory of all personal property of Seller currently used in the operation of the Property and included in the purchase price shall be delivered to Buyer within the time specified in **paragraph 3N(1)**.

(9) Seller shall deliver title to the personal property by Bill of Sale, free of all liens and encumbrances, and without warranty of condition.

(10) 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 p[illegible] DS [illegible] DS [illegible] DS [illegible]rchase, replacement thereof, and insurance proceeds.

Exhibit 1

C. **ITEMS EXCLUDED FROM SALE:** Unless Otherwise Agreed, the following items are excluded from sale: **(i)** All items specified in **paragraph 3P(2); (ii)** audio and video components (such as flat screen TVs, speakers and other items) if any such item is not itself attached to the Property, even if a bracket or other mechanism attached to the component or item is attached to the Property; **(iii)** furniture and other items secured to the Property for earthquake or safety purposes. **Unless otherwise specified in paragraph 3P(1), brackets attached to walls, floors or ceilings for any such component, furniture or item will be removed and holes or other damage shall be repaired, but not painted.**

10. ALLOCATION OF COSTS:

A. **INSPECTIONS, REPORTS AND CERTIFICATES:** Paragraphs **3Q(1-3) and (5)** only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; **it does not determine who is to pay for any work recommended or identified in the Report. Agreements for payment of required work should be specified elsewhere in paragraph 3Q, or 3S, or in a separate agreement (such as C.A.R. Forms RR, RRRR, ADM or AEA).**

B. **GOVERNMENT REQUIREMENTS AND CORRECTIVE OR REMEDIAL ACTIONS:**

(1) **LEGALLY REQUIRED INSTALLATIONS AND PROPERTY IMPROVEMENTS:** Any required installation of smoke alarm or carbon monoxide device(s) or securing of water heater shall be completed within **the time specified in paragraph 3N(4)**. If Buyer is to pay for these items, Buyer, as instructed by Escrow Holder, shall deposit funds into escrow or directly to the vendor completing the repair or installation. Prior to Close Of Escrow, Seller shall Deliver to Buyer written statement(s) of compliance in accordance with any Law, unless Seller is exempt. If Seller is to pay for these items and does not fulfill Seller's obligation in the time specified, and Buyer incurs costs to comply with lender requirements concerning those items, Seller shall be responsible for Buyer's costs.

(2) **POINT OF SALE REQUIREMENTS:**

(A) Point of sale inspections, reports and repairs refer to any such actions required to be completed before or after Close Of Escrow that are required in order to close under any Law. Unless Parties Otherwise Agree to another time period, any such repair, shall be completed prior to final verification of Property. If Buyer agrees to pay for any portion of such repair, Buyer, shall **(i)** directly pay to the vendor completing the repair or **(ii)** provide an invoice to Escrow Holder, deposit funds into escrow sufficient to pay for Buyer's portion of such repair and request Escrow Holder pay the vendor completing the repair.

(B) Buyer shall be provided, within the time specified in **paragraph 3N(1)**, unless Parties Otherwise Agree to another time period, a Copy of any required government-conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.

(3) **REINSPECTION FEES:** If any repair in **paragraph 10B(1)** is not completed within the time specified and the lender requires an additional inspection to be made, Seller shall be responsible for any corresponding reinspection fee. If Buyer incurs costs to comply with lender requirements concerning those items, Seller shall be responsible for those costs.

(4) **INSTALLATION OF SAFETY FEATURES:**

(A) The following installations shall be completed prior to final verification of condition unless Otherwise Agreed: **(i)** approved fire extinguisher(s), sprinkler(s), and hose(s), if required by law; and **(ii)** drain cover and anti-entrapment device or system meeting the minimum requirements permitted by the U.S. Consumer Products and Safety Commission for any pool or spa.

(B) If Buyer is to pay for these installations, Buyer, as instructed by Escrow Holder, shall deposit funds into escrow or directly to the vendor completing the repair or installation.

(5) **INFORMATION AND ADVICE ON REQUIREMENTS:** Buyer and Seller are advised to seek information from a knowledgeable source regarding local and State mandates and whether they are point of sale requirements or requirements of ownership. Agents do not have expertise in this area and cannot ascertain all of the requirements or costs of compliance.

C. **HOME WARRANTY:**

(1) Buyer shall choose the coverages, regardless of any optional coverages indicated, of the home warranty plan and Buyer shall pay any cost of that plan, chosen by Buyer, that exceeds the amount allocated to Seller in **paragraph 3Q(20)**. Buyer is informed that home warranty plans have many optional coverages, including but not limited to, coverages for Air Conditioner and Pool/Spa. Buyer is advised to investigate these coverages to determine those that may be suitable for Buyer.

(2) **If Buyer waives the purchase of a home warranty plan in paragraph 3Q(20), Buyer may still purchase a home warranty plan, at Buyer's expense, prior to Close Of Escrow.**

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

A. **LEAD DISCLOSURES:**

(1) Seller shall, within the time specified in **paragraph 3N(1)**, for any residential property built before January 1, 1978, unless exempted by Law, Deliver to Buyer a fully completed Federal Lead-Based Paint Disclosures (C.A.R. Form LPD) and pamphlet ("Lead Disclosures").

(2) Buyer shall, within the time specified in **paragraph 3L(3)**, have the opportunity to conduct a risk assessment or to inspect for the presence of lead-based paint hazards.

B. **RESIDENTIAL 1-4 PROPERTY DISCLOSURES:**

(1) **TDS, NHD, AND OTHER STATUTORY AND SUPPLEMENTAL DISCLOSURES:**

(A) Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer: unless exempt, fully completed disclosures or notices required by §§ 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location (C.A.R. Form SPQ or ESD), and, if the Property is in a high or very high fire hazard severity area, the information, notices, documentation, and agreem[illegible] DS [illegible] DS [illegible] DS [illegible].6(f) and 1102.19 of the Civil Code (C.A.R. Form FHDS).

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(B) The Real Estate Transfer Disclosure Statement required by this paragraph is considered fully completed if Seller has completed the section titled Coordination with Other Disclosure Forms by checking a box (Section I), and Seller has completed and answered all questions and Signed the Seller's Information section (Section II) and the Seller's Agent, if any, has completed and Signed the Seller's Agent's section (Section III), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Section V acknowledgment of receipt of a Copy of the TDS shall be Signed after all previous sections, if applicable, have been completed. Nothing stated herein relieves a Buyer's Agent, if any, from the obligation to **(i)** conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose, on Section IV of the TDS, or an AVID, material facts affecting the value or desirability of the Property that were or should have been revealed by such an inspection or **(ii)** complete any sections on all disclosures required to be completed by Buyer's Agent.

(C) Seller shall, within the time specified in **paragraph 3N(1)**, provide "Supplemental Disclosures" as follows: **(i)** unless exempt from the obligation to provide a TDS, complete a Seller Property Questionnaire (C.A.R. Form SPQ) by answering all questions and Signing and Delivering a Copy to Buyer; **(ii)** if exempt from the obligation to provide a TDS, complete an Exempt Seller Disclosure (C.A.R. Form ESD) by answering all questions and Signing and Delivering a Copy to Buyer.

(D) In the event Seller or Seller's Agent, 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 under this paragraph, Seller shall, in writing, promptly provide a subsequent or amended TDS, Seller Property Questionnaire or other document, in writing, covering those items. Any such document shall be deemed an amendment to the TDS or SPQ. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware, or which are discovered by Buyer or disclosed in reports or documents provided to or ordered and paid for by Buyer.**

(2) **HOME FIRE HARDENING DISCLOSURE AND ADVISORY:** For any transaction where a TDS is required, the property is located in a high or very high fire hazard severity zone, and the home was constructed before January 1, 2010 , Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer: **(i)** a home hardening disclosure required by law; and **(ii)** a statement of features of which the Seller is aware that may make the home vulnerable to wildfire and flying embers; and **(iii)** a final inspection report regarding compliance with defensible space requirements if one was prepared pursuant to Government Code § 51182 (C.A.R. Form FHDS).

(3) **DEFENSIBLE SPACE DISCLOSURE AND ADDENDUM:** For any transaction in which a TDS is required and the property is located in a high or very high fire hazard severity zone, Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer **(i)** a disclosure of whether the Property is in compliance with any applicable defensible space laws designed to protect a structure on the Property from fire; and **(ii)** an addendum allocating responsibility for compliance with any such defensible space law (C.A.R. Form FHDS).

(4) **WAIVER PROHIBITED:** Waiver of Statutory, Lead, and other Disclosures in **paragraphs 11A**, **11B(1)(A)**, **11B(2)**, and **11B(3)** are prohibited by Law.

C. RETURN OF SIGNED COPIES: Buyer shall, within the time specified in **paragraph 3L(3)** OR **5 Days** after Delivery of any disclosures specified in **paragraphs 11A**, **B(1)**, **B(2)**, **B(3)**, and defensible space addendum in **paragraph 11B(3)**, whichever is later, return Signed Copies of the disclosures, and if applicable, addendum, to Seller.

D. TERMINATION RIGHTS:

(1) **Statutory and Other Disclosures:** If any disclosure specified in **paragraphs 11A**, **B(1)**, **B(2)**, or **B(3)**, or subsequent or amended disclosure to those just specified, is Delivered to Buyer after the offer is Signed, Buyer shall have the right to terminate this Agreement within **3 Days** after Delivery in person, or **5 Days** after Delivery by deposit in the mail, or by an electronic record or email satisfying the Uniform Electronic Transactions Act (UETA), by giving written notice of rescission to Seller or Seller's Authorized Agent. If Buyer does not rescind within this time period, Buyer has been deemed to have approved the disclosure and shall not have the right to cancel.

(2) **Defensible Space Compliance:** If, by the time specified in **paragraph 11B(3)**, Buyer does not agree to the terms regarding defensible space compliance Delivered by Seller, as indicated by mutual signatures on the FHDS, then Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement.

E. WITHHOLDING TAXES: Buyer and Seller hereby instruct Escrow Holder to withhold the applicable required amounts to comply with federal and California withholding Laws and forward such amounts to the Internal Revenue Service and Franchise Tax Board, respectively. However, no federal withholding is required if, prior to Close Of Escrow, Seller Delivers **(i)** to Buyer and Escrow Holder a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law (FIRPTA); **OR (ii)** to a qualified substitute (usually a title company or an independent escrow company) a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law AND the qualified substitute Delivers to Buyer and Escrow Holder an affidavit signed under penalty of perjury (C.A.R. Form QS) that the qualified substitute has received the fully completed Seller's affidavit and the Seller states that no federal withholding is required; **OR (iii)** to Buyer other documentation satisfying the requirements under Internal Revenue Code § 1445 (FIRPTA). No withholding is required under California Law if, prior to Close Of Escrow, Escrow Holder has received sufficient documentation from Seller that no withholding is required, and Buyer has been informed by Escrow Holder.

F. MEGAN'S LAW DATABASE DISCLOSURE: Notice: Pursuant to § 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at **www.meganslaw.ca.gov**. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)

G. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES: This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at **http://www.npms.phmsa.dot.gov/**. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Website. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)

H. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:

(1) Seller shall, within the time specified in **paragraph 3N(1)**, disclose to Buyer whether the Property is a condominium or is located in a planned development, other common interest development, or otherwise [illegible] nditions, and restrictions (C.A.R. Form SPQ or ESD).

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(2) If the Property is a condominium or is located in a planned development or other common interest development with a HOA, Seller shall, within the time specified in **paragraph 3N(3)**, order from, and pay any required fee for the following items to the HOA (C.A.R. Form HOA-IR): **(i)** Copies of any documents required by Law (C.A.R. Form HOA-RS); **(ii)** disclosure of any pending or anticipated claim or litigation by or against the HOA; **(iii)** a statement containing the location and number of designated parking and storage spaces; **(iv)** Copies of the most recent 12 months of HOA minutes for regular and special meetings; **(v)** the names and contact information of all HOAs governing the Property; **(vi)** pet restrictions; and **(vii)** smoking restrictions ("CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Seller shall, as directed by Escrow Holder, deposit funds into escrow or direct to HOA or management company to pay for any of the above.

I. NATURAL AND ENVIRONMENTAL HAZARDS: Seller shall, within the time specified in **paragraph 3N(1)**, if required by Law: **(i)** Deliver to Buyer the earthquake guide and environmental hazards booklet, and for all residential property with 1-4 units and any manufactured or mobile home built before January 1, 1960, fully complete and Deliver the Residential Earthquake Risk Disclosure Statement; and **(ii)** even if exempt from the obligation to provide a NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and **(iii)** disclose any other zone as required by Law and provide any other information required for those zones.

J. WATER CONSERVING PLUMBING DEVICES: Civil Code § 1101.5 requires all multi-family residential and commercial real property be equipped with water-conserving plumbing devices. Seller, within the time specified in **paragraph 3N(1)**, shall disclose in writing whether the property includes any noncompliant plumbing fixtures. Seller may use C.A.R. Form SPQ or ESD. See C.A.R. Form WCMD for more information.

K. ELEVATED ELEMENTS: If the Property is part of a building with 3 or more dwelling units, Health and Safety Code § 17973(m) requires that an inspection of any exterior elevated elements (such as, but not limited to, balconies, decks, stairways, and walkways) be completed by January 1, 2025 and every 6 years thereafter. Seller shall, within the time specified in **paragraph 3N(1)** provide to Buyer: (1) a copy of the inspection and accompanying report and, if any corrective work is required, proof that corrective work has been completed in accordance with code and permit requirements, or (2) a statement **(i)** that no such inspection has been made or **(ii)** if made, that no corrective work has been completed in accordance with the Health and Safety Code.

L. SURVEY, PLANS, AND ENGINEERING DOCUMENTS: Seller, within the time specified in **paragraph 3N(1)**, shall provide to Buyer, Copies of surveys, plans, specifications, and engineering documents, if any, prepared on Seller's behalf on in Seller's possession.

M. PERMITS: Seller, within the time specified in **paragraph 3N(1)**, shall provide to Buyer, if in Seller's possession, copies of all permits and approvals, certificates of occupancy, conditional use permits, development plans, and licenses and permits pertaining to the operation of the Property.

N. STRUCTURAL MODIFICATIONS: Seller, within the time specified in **paragraph 3N(1)**, shall in writing disclose to Buyer, Known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.

O. GOVERNMENTAL COMPLIANCE: Within the time specified in **paragraph 3N(1)**,

(1) Seller shall disclose to Buyer any improvements, additions, alterations, or repairs to the Property made by Seller, or known to Seller to have been made, without required governmental permits, final inspections, and approvals

(2) Seller shall disclose to Buyer if Seller has actual knowledge of any notice of violations of Law filed or issued against the Property.

P. KNOWN MATERIAL FACTS: Seller shall, within the time specified in **paragraph 3N(1)**, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including, but not limited to, known insurance claims within the past five years, or provide Buyer with permission to contact lender to get such information (C.A.R. Form ARC), and make any and all other disclosures required by Law.

Q. SUBSEQUENT DISCLOSURES: In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information, or representations previously provided to Buyer, Seller shall promptly Deliver a subsequent or amended disclosure or notice, in writing, covering those items, if not already required under **paragraph 11B(1)(D)**. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware or which are disclosed in reports provided to or obtained by Buyer or ordered and paid for by Buyer.

12. TENANCY RELATED DISCLOSURES: Within the time specified in **paragraph 3N(1)**, and subject to Buyer's right of review, Seller shall disclose, make available or Deliver, as applicable, to Buyer, the following information:

A. RENTAL/SERVICE AGREEMENTS: (i) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; **(ii)** A rental statement including names of tenants, rental rates, period or rental, date of last rent increase, security deposits, rental concessions, rebates or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any rebate, concession, or other benefit, except as set forth in these documents. Seller represents that the documents to be furnished are those maintained in the ordinary and normal course of business.

B. INCOME AND EXPENSE STATEMENTS: If checked in **paragraph 3R**, the books and records for the Property, if any, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business and used by Seller in the computation of federal and state income tax returns.

C. TENANT ESTOPPEL CERTIFICATES: If checked in **paragraph 3R**, Tenant Estoppel Certificates (C.A.R. Form TEC). Tenant Estoppel Certificates shall be completed by Seller or Seller's agent and delivered to tenant(s) for tenant(s) to sign and acknowledge: **(i)** that tenant(s)' rental or lease agreements are unmodified and in full force and effect, (or if modified, stating all such modifications); **(ii)** that no lessor defaults exist; and **(iii)** stating the amount of any prepaid rent or security deposit. Seller shall exercise good faith to obtain tenant(s)' signature(s), but Seller cannot guarantee tenant(s)' cooperation. In the event Seller cannot obtain signed Tenant Estoppel Certificates within the time specified above, Seller shall notify Buyer and provide the unsigned one that was provided to tenant(s). If, after the time specified for Seller to Deliver the TEC to Buyer, any tenant(s) sign and return a TEC to Seller, Seller shall Deliver that TEC to Buyer.

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D. SELLER REPRESENTATIONS: Unless otherwise disclosed under **paragraph 11**, **paragraph 12**, or under any disclosure Delivered to Buyer:

(1) Seller represents that Seller has no actual knowledge that any tenant(s): **(i)** has any current pending lawsuit(s), investigation(s), Inquiry(ies), action(s), or other proceeding(s) affecting the Property of the right to use and occupy it; **(ii)** has any unsatisfied mechanics or materialman lien(s) affecting the Property; and **(iii)** is the subject of a bankruptcy. If Seller receives any such notice, prior to Close Of Escrow, Seller shall immediately notify Buyer.

(2) Seller represents that no tenant is entitled to any rebate, concessions, or other benefit, except as set forth in the rental service agreements.

(3) Seller represents that the documents to be furnished are those maintained in the ordinary and normal course of business and the income and expense statements are and used by Seller in the computation of federal and state income tax returns.

13. CHANGES DURING ESCROW:

A. Prior to Close Of Escrow, Seller may engage in the following acts ("Proposed Changes"), subject to Buyer's rights in **paragraph 13B: (i)** rent or lease any vacant unit or other part of the premises; **(ii)** alter, modify, or extend any existing rental or lease agreement; **(iii)** enter into, alter, modify, or extend any service contract(s); or **(iv)** change the status of the condition of the Property.

B. (1) At least **7 Days** prior to any Proposed Changes, Seller shall Deliver written notice to Buyer of such Proposed Change.

(2) Within **5 Days** after receipt of such notice, Buyer, in writing, may give Seller notice of Buyer's objection to the Proposed Changes in which case Seller shall not make the Proposed Changes.

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

15. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:

A. Buyer shall, within the time specified in **paragraph 3L(3)**, have the right, at Buyer's expense unless Otherwise Agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations").

B. Buyer Investigations include, but are not limited to:

(1) Inspections regarding any physical attributes of the Property or items connected to the Property, such as:

(A) A general home inspection.

(B) An inspection for lead-based paint and other lead-based paint hazards.

(C) An inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2).

(D) Any other specific inspections of the physical condition of the land and improvements.

(2) All other Buyer Investigations, such as insurance, not specified above. See, Buyer's Investigation Advisory (C.A.R. Form BIA) for more.

(3) A review of reports, disclosures or information prepared by or for Seller and Delivered to Buyer pursuant to **paragraphs 3**, **10**, **11**, **12**, and **16A**.

C. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: **(i)** invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report, which shall not include any holes or drilling through stucco or similar material; or **(ii)** inspections by any governmental building or zoning inspector or government employee, unless required by Law.

D. Seller shall make the Property available for all Buyer Investigations. Seller is not obligated to move any existing personal property. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is delivered to Buyer. Buyer shall, **(i)** by the time specified in **paragraph 3L(3)**, complete Buyer Investigations and satisfy themselves as to the condition of the Property, and either remove the contingency or cancel this Agreement, and **(ii)** by the time specified in **paragraph 3L(3)** or **3 Days** after receipt of any Investigation report, whichever is later, give Seller at no cost, complete Copies of all such reports obtained by Buyer, which obligation shall survive the termination of this Agreement. This Delivery of Investigation reports shall not include any appraisal, except an appraisal received in connection with an FHA or VA loan.

E. Buyer indemnity and Seller protection for entry upon the Property: Buyer shall: **(i)** keep the Property free and clear of liens; **(ii)** repair all damage arising from Buyer Investigations; and **(iii)** indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.

16. TITLE AND VESTING:

A. Buyer shall, within the time specified in **paragraph 3N(1)**, be provided a current Preliminary Report by the person responsible for paying for the title report in **paragraph 3Q(10)**. If Buyer is responsible for paying, Buyer shall act diligently and in good faith to obtain such Preliminary Report within the time specified. The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities.

B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: **(i)** monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and **(ii)** those matters which Seller has agreed to remove in writing. For any lien or matter not being transferred upon sale, Seller will take necessary action to deliver title free and clear of such lien or matter.

C. Seller shall within **7 Days** after request, give Escrow Holder necessary information to clear title.

D. Seller shall, within the time specified in **paragraph 3N(1)**, disclose to Buyer all matters kn DS Se DS c DS , whether of record or not.

E. If Buyer is a legal entity and the Property purchase price is at least $300,000 and the purchase price is made without a bank loan or similar form of external financing, a Geographic Targeting Order (GTO) issued by the Financial Crimes Enforcement Network, U.S. Department of the Treasury, requires title companies to collect and report certain information about the Buyer, depending on where the Property is located. Buyer agrees to cooperate with the title company's effort to comply with the GTO.

F. Buyer shall, after Close Of Escrow, receive a recorded grant deed or any other conveyance document required to convey title (For example, for stock cooperative or tenancy in common, respectively, an assignment of stock certificate or assignment of seller's interest in the real property), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's vesting instructions. The recording document shall contain Buyer's post-closing mailing address to enable Buyer's receipt of the recorded conveyance document from the County Recorder. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.

G. Buyer shall receive a Standard Coverage Owner's CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and shall pay any increase in cost.

17. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).

A. SELLER DELIVERY OF DOCUMENTS: Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer all reports, disclosures and information ("Reports") for which Seller is responsible as specified in **paragraphs 9B(6)**, **9B(8)**, **10**, **11A**, **11B**, **11E**, **11H-O**, **12**, **16A**, and **16D**.

B. BUYER REVIEW OF DOCUMENTS; REPAIR REQUEST; CONTINGENCY REMOVAL OR CANCELLATION

(1) Buyer has the time specified in **paragraph 3** to: **(i)** perform Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to **paragraph 9B(6)**, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and **(ii)** Deliver to Seller Signed Copies of Statutory and Other Disclosures Delivered by Seller in accordance with **paragraph 11**.

(2) Buyer may, within the time specified in **paragraph 3L(3)**, request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to Buyer's requests (C.A.R. Form RR or RRRR). If Seller does not agree or does not respond, Buyer is not contractually entitled to have the repairs or other requests made and may only cancel based on contingencies in this Agreement.

(3) Buyer shall, by the end of the times specified in **paragraph 3L** (or as Otherwise Agreed), Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement (C.A.R. Form CR or CC). However, if any report, disclosure, or information for which Seller is responsible, other than those in **paragraphs 11A** or **11B**, is not Delivered within the time specified in **paragraph 3N(1)**, then Buyer has **5 Days** after Delivery of any such items, or the times specified in **paragraph 3L**, whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement. If Delivery of any Report occurs after a contractual contingency pertaining to that Report has already been waived or removed, the Delivery of the Report does not revive the contingency but there may be a right to terminate for a subsequent or amended disclosure under **paragraph 11D**.

(4) **Continuation of Contingency:** Even after the end of the time specified in **paragraph 3L** and before Seller cancels, if at all, pursuant to **paragraph 17C**, Buyer retains the right, in writing, to either **(i)** remove remaining contingencies, or **(ii)** cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to **paragraph 17C(1)**.

C. SELLER RIGHT TO CANCEL:

(1) **SELLER RIGHT TO CANCEL; BUYER CONTINGENCIES:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.

(2) **SELLER RIGHT TO CANCEL; BUYER CONTRACT OBLIGATIONS:** Seller, after first Delivering to Buyer a Notice to Buyer to Perform, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): **(i)** Deposit funds as required by **paragraph 3D(1)** or **3D(2)** or if the funds deposited pursuant to **paragraph 3D(1)** or **3D(2)** are not good when deposited; **(ii)** Deliver updated contact information for Buyer's lender(s) as required by **paragraph 5C(3)**; **(iii)** Deliver a notice of FHA or VA costs or terms, if any, as specified by **paragraph 5C(4)** (C.A.R. Form RR); **(iv)** Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by **paragraph 5B** or **6A**; **(v)** Deliver a letter as required by **paragraph 6B**; **(vi)** In writing assume or accept leases or liens specified in **paragraph 8G**; **(vii)** Return Statutory and Other Disclosures as required by **paragraph 11C**; **(viii)** Cooperate with the title company's effort to comply with the GTO as required by **paragraph 16E**; **(ix)** Sign or initial a separate liquidated damages form for an increased deposit as required by **paragraph 5A(2)** and **36**; **(x)** Provide evidence of authority to Sign in a representative capacity as specified in **paragraph 35**; or **(xi)** Perform any additional Buyer contractual obligation(s) included in this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees allocated to Seller in this Agreement and already paid by Escrow prior to cancellation of this Agreement and notification to Escrow.

(3) **SELLER RIGHT TO CANCEL; SELLER CONTINGENCIES:** Seller may cancel this Agreement by good faith exercise of any Seller contingency included in this Agreement, or Otherwise Agreed, so long as that contingency has not already been removed or waived in writing.

D. BUYER RIGHT TO CANCEL:

(1) **BUYER RIGHT TO CANCEL; SELLER CONTINGENCIES:** If, by the time specified in this Agreement, Seller does not Deliver to Buyer a removal of the applicable contingency or cancellation of this Agreement, then Buyer, after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees allocated to Seller in the Agreement and already paid by Escrow prior to cancellation of this Agreement and notification to Escrow.

(2) **BUYER RIGHT TO CANCEL; SELLER CONTRACT OBLIGATIONS:** If, by the time specified, Seller has not Delivered any item specified in **paragraph 3N(1)** or Seller has not performed any Seller contractual obligation included in this Agreement by the time specified, Buyer, after first Delivering to Seller a Notice to Seller to Perform, may cancel this Agreement.

(3) **BUYER RIGHT TO CANCEL; BUYER CONTINGENCIES:** Buyer may cancel this Agreement by good faith exercise of any Buyer contingency included in **paragraph 8**, or Otherwise Agreed, so long as that contingency has not already been removed in writing.

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E. **NOTICE TO BUYER OR SELLER TO PERFORM:** The Notice to Buyer to Perform or Notice to Seller to Perform shall: **(i)** be in writing; **(ii)** be Signed by the applicable Buyer or Seller; and **(iii)** give the other Party at least **2 Days** after Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform or Notice to Seller to Perform may not be Delivered any earlier than **2 Days** prior to the Scheduled Performance Day to remove a contingency or cancel this Agreement or meet an obligation specified in **paragraph 17**, whether or not the Scheduled Performance Day falls on a Saturday, Sunday or legal holiday. If a Notice to Buyer to Perform or Notice to Seller to Perform is incorrectly Delivered or specifies a time less than the agreed time, the notice shall be deemed invalid and void and Seller or Buyer shall be required to Deliver a new Notice to Buyer to Perform or Notice to Seller to Perform with the specified timeframe.

F. **EFFECT OF REMOVAL OF CONTINGENCIES:**

(1) **REMOVAL OF BUYER CONTINGENCIES:** If Buyer removes any contingency or cancellation rights, unless Otherwise Agreed, Buyer shall conclusively be deemed to have: **(i)** completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; **(ii)** elected to proceed with the transaction; and **(iii)** assumed all liability, responsibility and expense for the non-delivery of any reports, disclosures or information outside of Seller's control and for any Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.

(2) **REMOVAL OF SELLER CONTINGENCIES:** If Seller removes any contingency or cancellation rights, unless Otherwise Agreed, Seller shall conclusively be deemed to have: **(i)** satisfied themselves regarding such contingency, **(ii)** elected to proceed with the transaction; and **(iii)** given up any right to cancel this Agreement based on such contingency.

G. **DEMAND TO CLOSE ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a Demand to Close Escrow (C.A.R. Form DCE). The DCE shall: **(i)** be Signed by the applicable Buyer or Seller; and **(ii)** give the other Party at least **3 Days** after Delivery to close escrow. A DCE may not be Delivered any earlier than **3 Days** prior to the Scheduled Performance Day for the Close Of Escrow. If a DCE is incorrectly Delivered or specifies a time less than the agreed time, the DCE shall be deemed invalid and void and Seller or Buyer shall be required to Deliver a new DCE.

H. **EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign and Deliver mutual instructions to cancel the sale and escrow and release deposits, if any, to the Party entitled to the funds, less **(i)** fees and costs paid by Escrow Holder on behalf of that Party, if required by this Agreement; and **(ii)** any escrow cancellation fee charged to that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. A release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. **A Party may be subject to a civil penalty of up to $1,000 for refusal to Sign cancellation instructions if no good faith dispute exists as to which Party is entitled to the deposited funds (Civil Code § 1057.3). Note: Neither Agents nor Escrow Holder are qualified to provide any opinion on whether either Party has acted in good faith or which Party is entitled to the deposited funds. Buyer and Seller are advised to seek the advice of a qualified California real estate attorney regarding this matter.**

18. **REPAIRS:** Repairs shall be completed prior to final verification of condition unless Otherwise Agreed. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. Buyer acknowledges that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: **(i)** obtain invoices and paid receipts for Repairs performed by others; **(ii)** prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and **(iii)** provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.

19. **FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final verification of the Property condition within the time specified in **paragraph 3J**, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: **(i)** the Property is maintained pursuant to **paragraph 7B**; **(ii)** Repairs have been completed as agreed; and **(iii)** Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).

20. **PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless Otherwise Agreed, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, Seller rental payments, HOA regular assessments due prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. Seller shall pay any HOA special or emergency assessments due prior to Close Of Escrow. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special or emergency assessments that are due after Close Of Escrow. Property will be reassessed upon change of ownership. Any supplemental tax bills delivered to Escrow Holder prior to closing shall be prorated and paid as follows: **(i)** for periods after Close Of Escrow, by Buyer; and **(ii)** for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). Seller agrees all service fees, maintenance costs and utility bills will be paid current up and through the date of Close Of Escrow. TAX BILLS AND UTILITY BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.

21. **BROKERS AND AGENTS:**

A. **COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.

B. **SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Agent: **(i)** Does not decide what price Buyer should pay or Seller should accept; **(ii)** Does not guarantee the condition of the Property; **(iii)** Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; **(iv)** Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; **(v)** Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Agent; **(vi)** Shall not be responsible for inspecting public records or permits concerning the title or use of Property; **(vii)** Shall not be responsible for identifying the location of boundary lines or other items affecting title; **(viii)** Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; **(ix)** Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; **(x)** Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and **(xi)** Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to pe[illegible] activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from a[illegible]

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

22. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:

A. **The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder**, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: **paragraphs 1, 3A, 3B, 3D-G, 3N(2), 3Q, 3S, 4A, 4B, 5A(1-2) 5D, 5E, 10B(2)(A), 10B(3), 10B(4)(B), 10C, 11E, 11H(2), 16 (except 16D), 17H, 20, 21A, 22, 26, 32, 34, 35, 39, 40, and paragraph 3 of the Real Estate Brokers Section**. If a Copy of the separate compensation agreement(s) provided for in **paragraph 21A** or **paragraph 3 of the Real Estate Brokers Section** is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned.

B. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller shall Sign and return Escrow Holder's general provisions or supplemental instructions within the time specified in **paragraph 3N(2)**. Buyer and Seller shall execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within **3 Days**, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by **paragraphs 3**, **8**, **10**, **11**, or elsewhere in this Agreement.

C. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within **3 Days** after **Acceptance**. Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title Company when received from Seller, if a separate company is providing title insurance. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under **paragraph 11E**, Escrow Holder shall deliver to Buyer, Buyer's Agent, and Seller's Agent a Qualified Substitute statement that complies with federal Law. If Escrow Holder's Qualified Substitute statement does not comply with federal law, the Parties instruct escrow to withhold all applicable required amounts under **paragraph 11E**.

D. Agents are not a party to the escrow except for the sole purpose of receiving compensation pursuant to **paragraph 21A and paragraph 3 of the Real Estate Brokers Section**. If a Copy of the separate compensation agreement(s) provided for in either of those paragraphs is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s).Buyer and Seller irrevocably assign to Brokers compensation specified in **paragraph 21A**, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.

E. Buyer and Seller acknowledge that Escrow Holder may require invoices for expenses under this Agreement. Buyer and Seller, upon request by Escrow Holder, within **3 Days** or within a sufficient time to close escrow, whichever is sooner, shall provide any such invoices to Escrow Holder.

F. Upon receipt, Escrow Holder shall provide Buyer, Seller, and each Agent verification of Buyer's deposit of funds pursuant to **paragraph 5A(1) and 5A(2)**. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify each Agent: **(i)** if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or **(ii)** if Buyer and Seller instruct Escrow Holder to cancel escrow.

G. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within **3 Days** after mutual execution of the amendment.

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

24. MULTIPLE LISTING SERVICE ("MLS"): Agents are authorized to report to the MLS that an offer has been accepted and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS. Buyer acknowledges that: **(i)** any pictures, videos, floor plans (collectively, "Images") or other information about the Property that has been or will be inputted into the MLS or internet portals, or both, at the instruction of Seller or in compliance with MLS rules, will not be removed after Close Of Escrow; **(ii)** California Civil Code § 1088(c) requires the MLS to maintain such Images and information for at least three years and as a result they may be displayed or circulated on the Internet, which cannot be controlled or removed by Seller or Agents; and **(iii)** Seller, Seller's Agent, Buyer's Agent, and MLS have no obligation or ability to remove such Images or information from the Internet.

25. ATTORNEY FEES AND COSTS: In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non- except as provided in **paragraph 37A.**

DS PW DS JW DS CW

Exhibit 1

26. **ASSIGNMENT:** Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's own trust or to any wholly owned entity of Buyer that is in existence at the time of such assignment. Otherwise, Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Prior to any assignment, Buyer shall disclose to Seller the name of the assignee and the amount of any monetary consideration between Buyer and assignee. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is a wholly owned entity or trust of Buyer, that assignee does not need to re-sign or initial all documents provided. Whether or not an assignment requires seller's consent, at the time of assignment, assignee shall deliver a letter from assignee's lender that assignee is prequalified or preapproved as specified in **paragraph 6B**. Should assignee fail to deliver such a letter, Seller, after first giving Assignee an Notice to Buyer to Perform, shall have the right to terminate the assignment. Buyer shall, within the time specified in **paragraph 3K**, Deliver any request to assign this Agreement for Seller's consent. If Buyer fails to provide the required information within this time frame, Seller's withholding of consent shall be deemed reasonable. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller (C.A.R. Form AOAA).
27. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon, and inure to the benefit of, Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.
28. **ENVIRONMENTAL HAZARD CONSULTATION:** Buyer and Seller acknowledge: **(i)** Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; **(ii)** Agent(s) has/have made no representation concerning the applicability of any such Law to this transaction or to Buyer or to Seller, except as otherwise indicated in this Agreement; **(iii)** Agent(s) has/have made no representation concerning the existence, testing, discovery, location, and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and **(iv)** Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discover, location and evaluation of/for, and risks posed by, environmentally hazardous substances, in any, located on or potentially affecting the Property.
29. **AMERICANS WITH DISABILITIES ACT:** The Americans With Disabilities Act ("ADA") prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. Residential properties are not typically covered by the ADA, but may be governed by its provisions if used for certain purposes. The ADA can require, among other things, that building be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker or agent does not have the technical expertise to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact a qualified California real estate attorney, contractor, architect, engineer, or other qualified professional of Buyer or Seller's own choosing to determine to what degree, if any, the ADA impacts that principal or this transaction.
30. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
31. **COPIES:** Seller and buyer each represent that Copies of all reports, certificates, approvals, and other documents that are furnished to the other are true, correct, and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.
32. **DEFINITIONS and INSTRUCTIONS:** The following words are defined terms in this Agreement, shall be indicated by initial capital letters throughout this Agreement, and have the following meaning whenever used:
    - **A. "Acceptance"** means the time the offer or final counter offer is fully executed, in writing, by the recipient Party and is Delivered to the offering Party or that Party's Authorized Agent.
    - **B. "Agent"** means the Broker, salesperson, broker-associate or any other real estate licensee licensed under the brokerage firm identified in **paragraph 2B**.
    - **C. "Agreement"** means this document and any counter offers and any incorporated addenda or amendments, collectively forming the binding agreement between the Parties. Addenda and amendments are incorporated only when Signed and Delivered by all Parties.
    - **D. "As-Is"** condition: Seller shall disclose known material facts and defects as specified in this Agreement. Buyer has the right to inspect the Property and, within the time specified, request that Seller make repairs or take other corrective action, or exercise any contingency cancellation rights in this Agreement. Seller is only required to make repairs specified in this Agreement or as Otherwise Agreed.
    - **E. "Authorized Agent"** means an individual real estate licensee specified in the Real Estate Broker Section.
    - **F. "C.A.R. Form"** means the most current version of the specific form referenced or another comparable form agreed to by the Parties.
    - **G. "Close Of Escrow"**, including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded for any real property, or the date of Delivery of a document evidencing the transfer of title for any non-real property transaction.
    - **H. "Copy"** means copy by any means including photocopy, facsimile and electronic.
    - **I. Counting Days** is done as follows unless Otherwise Agreed: (1) The first Day after an event is the first full calendar date following the event, and ending at 11:59 pm. For example, if a Notice to Buyer to Perform (C.A.R. form NBP) is Delivered at 3 pm on the 7th calendar day of the month, or Acceptance of a counter offer is personally received at 12 noon on the 7th calendar day of the month, then the 7th is Day "0" for purposes of counting days to respond to the NBP or calculating the Close Of Escrow date or contingency removal dates and the 8th of the month is Day 1 for those same purposes. (2) All calendar days are counted in establishing the first Day after an event. (3) All calendar days are counted in determining the date upon which performance must be completed, ending at 11:59 pm on the last day for performance ("Scheduled Performance Day"). (4) After Acceptance, if the Scheduled Performance Day for any act required by this Agreement, including Close Of Escrow, lands on a Saturday, Sunday, or legal holiday, the performing party shall be allowed to perform on the next day that is not a Saturday, Sunday or legal holiday ("Allowable Performance Day"), and ending at 11:59 pm. (5) For the purposes of COE, any day that the Recorder's office in the County where the Property is located is closed, the COE shall occur on the next day the Recorder's office in that County is open. (6) COE is considered Day 0 for purposes of counting days Seller is allowed to remain in possession, if permitted by this Agreement.
    - **J. "Day"** or **"Days"** means calendar day or days. However, delivery of deposit to escrow is ba

DS CW DS JW DS PW

Exhibit 1

K. **"Deliver", "Delivered" or "Delivery"** of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means **(i)** a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other), or **(ii)** an Electronic Copy of the document, or as applicable, link to the document, has been sent to any of the designated electronic delivery addresses specified in the Real Estate Broker Section on page 18. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party. Links could be, for example, to DropBox or GoogleDrive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within **3 Days** after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and Buyer opening, the document by link.

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 Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.

M. **"Law"** means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.

N. **"Legally Authorized Signer"** means an individual who has authority to Sign for the principal as specified in **paragraph 39** or **paragraph 40.**

O. **"Otherwise Agreed"** means an agreement in writing, signed by both Parties and Delivered to each.

P. **"Repairs"** means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.

Q. **"Sign" or "Signed"** means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.

33. TERMS AND CONDITIONS OF OFFER: This is an offer to purchase the Property on the terms and conditions herein. The individual Liquidated Damages and Arbitration of Disputes paragraphs are incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a Counter Offer or addendum. **If at least one but not all Parties initial, a Counter Offer is required until agreement is reached.** Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance and to market the Property for backup offers after Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing. By signing this offer or any document in the transaction, the Party Signing the document is deemed to have read the document in its entirety.

34. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES: Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as Otherwise Agreed, this Agreement shall be interpreted, and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**

35. LEGALLY AUTHORIZED SIGNER: Wherever the signature or initials of the Legally Authorized Signer identified in **paragraph 39** or **40** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer **(i)** represents that the entity for which that person is acting already exists and is in good standing to do business in California and **(ii)** shall Deliver to the other Party and Escrow Holder, as specified in **paragraph 3N(5)**, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

36. LIQUIDATED DAMAGES:

If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the purchase price. Any excess shall be returned to Buyer. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. AT THE TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R. FORM DID).

Buyer's Initials DS KM ____ / _____ **Seller's Initials** DS PW ____ DS JW ____ DS CW ____

37. MEDIATION:

A. The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. The mediation shall be conducted through the C.A.R. Real Estate Mediation Center for Consumers **(www.consumermediation.org)** or through any other mediation provider or service mutually agreed to by the Parties. The Parties **also agree to mediate any disputes or claims with Agents(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Agent.** Mediation fees, if any, shall be divided equally among the Parties involved, and shall be recoverable under the prevailing party attorney fees clause. If, for any dispute or claim to which this paragraph applies, any Party **(i)** commences an action without first attempting to resolve the matter through mediation, or **(ii)** before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

B. **ADDITIONAL MEDIATION TERMS: (i) Exclusions from this mediation agreement are specified in paragraph 38B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 38C; and (iii) Agent's rights and obligations are further specified in paragraph 38H. These provisions apply even if the Arbitration of Disputes paragraph is not initialed.** DS PW ____ DS JW ____ DS CW ____

Exhibit 1

38. ARBITRATION OF DISPUTES:

A. The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Agents(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Agent. The arbitration shall be conducted through any arbitration provider or service mutually agreed to by the Parties, OR ☐ _____ _____. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of residential real estate Law experience, unless the Parties mutually agree to a different arbitrator. Enforcement of, and any motion to compel arbitration pursuant to, this agreement to arbitrate shall be governed by the procedural rules of the Federal Arbitration Act, and not the California Arbitration Act, notwithstanding any language seemingly to the contrary in this Agreement. The Parties shall have the right to discovery in accordance with Code of Civil Procedure § 1283.05. The arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction.

B. EXCLUSIONS: The following matters are excluded from mediation and arbitration: (i) Any matter that is within the jurisdiction of a probate, small claims or bankruptcy court; (ii) an unlawful detainer action; and (iii) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code § 2985.

C. PRESERVATION OF ACTIONS: The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies; or (iii) the filing of a mechanic's lien.

D. AGENTS: Agents shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Agents(s) participating in mediation or arbitration shall not be deemed a party to this Agreement.

E. "NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials DS RM ____ / _____ **Seller's Initials** DS CW DS JW DS PW

39. OFFER

A. EXPIRATION OF OFFER: This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless by the date and time specified in **paragraph 3C**, the offer is Signed by Seller and a Copy of the Signed offer is Delivered to Buyer or Buyer's Authorized Agent. **Seller has no obligation to respond to an offer made.**

B. ☐ ENTITY BUYERS: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

(1) One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.

(2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 35** for additional terms.

(3) The name(s) of the Legally Authorized Signer(s) is/are: _____, _____.

(4) If a trust, identify Buyer as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust). If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: _____

_____.

C. The RIPA has 18 pages. Buyer acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

D. BUYER SIGNATURE(S):

(Signature) By, DocuSigned by: Ron mayer E6263FF8823B4D9... **Date:** 4/4/2022

Printed name of BUYER: *Ron Mayer - Mayer Capital, or assignee*

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

(Signature) By, _____ **Date:** _____

Printed name of BUYER: _____

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

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

DS PW DS JW DS CW

Exhibit 1

40. ACCEPTANCE

A. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement and authorizes Agent to Deliver a Signed Copy to Buyer.

Seller's acceptance is subject to the attached Counter Offer or Back-Up Offer Addendum, or both, checked below. Seller shall return and include the entire agreement with any response.

☐ **Seller Counter Offer** (C.A.R. Form SCO or SMCO)
☐ **Back-Up Offer Addendum** (C.A.R. Form BUO)

B. ☐ **Entity Sellers: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure form (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)**

(1) One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
(2) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 35** for additional terms.
(3) The name(s) of the Legally Authorized Signer(s) is/are: _____,_____ .
(4) If a trust, identify Seller as trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust). If the entity is a trust or under probate, the following is the full name of the trust or probate case, including case #: _____
_____.

C. The RIPA has 18 pages. Seller acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

D. SELLER S

(Signature) By, DocuSigned by: Chris Wong F8A8CAE5EE784A6... **Date:** 4/6/2022
Printed name of SELLER: Chik Pui Wong
☐ Printed N horized Signer: _____ Title, if applicable, _____
(Signature) By, DocuSigned by: Jimmy Wong 04FC64C3075B448... DocuSigned by: Polly Wong 04FC64C3075B448... **Date:** 4/6/2022
Printed name of SELLER: Yim Pooi Wong and Lai Hung Wong
☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

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

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

Exhibit 1

Property Address: 8335 Willis Ave, Panorama City, CA 91402-3948 Date: April 4, 2022

REAL ESTATE BROKERS SECTION:

1. **Real Estate Agents are not parties to the Agreement between Buyer and Seller.**
2. **Agency relationships are confirmed as stated in paragraph 2.**
3. **Cooperating Broker Compensation:** Seller's Broker agrees to pay Buyer's Broker and Buyer's Broker agrees to accept, out of Seller's Broker's proceeds in escrow, the amount specified in the MLS, provided Buyer's Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Seller's Broker and Buyer's Broker are not both Participants of the MLS, or a reciprocal MLS, in which the Property is offered for sale, then compensation must be specified in a separate written agreement (C.A.R. Form CBC). Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.
4. **Presentation of Offer:** Pursuant to the National Association of REALTORS® Standard of Practice 1-7, if Buyer's Agent makes a written request, Seller's Agent shall confirm in writing that this offer has been presented to Seller.
5. **Agents' Signatures and designated electronic delivery address:**

A. Buyer's Brokerage Firm CBRE Lic. # 00409987
By Dean Zander, Chris Tresp, Priscilla Nee, Lic. # 01846401 Date
By Lic. # Date

☐ More than one agent from the same firm represents Buyer. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
☐ More than one brokerage firm represents Buyer. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

Designated Electronic Delivery Address(es):

Email Text #

Alternate:
☐ if checked, Delivery shall be made to the alternate designated electronic delivery address only.

Address 1840 Century Park East, 9th Floor City Los Angeles State CA Zip 90067

B. Seller's Brokerage Firm CBRE Lic. # 00409987
By Dean Zander, Chris Tresp, Priscilla Nee, Lic. # 01846401 Date
By Lic. # Date

☐ More than one agent from the same firm represents Seller. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
☐ More than one brokerage firm represents Seller. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

Designated Electronic Delivery Address(es) (To be filled out by Seller's Agent)**:**
Email Text #

Alternate:
☐ if checked, Delivery shall be made to the alternate designated electronic delivery address only.

Address 1840 Century Park East, 9th Floor City Los Angeles State CA Zip 90067

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, ☐ a deposit in the amount of $ _____), Counter Offer numbers _____ and _____, and agrees to act as Escrow Holder subject to **paragraph 22** of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised by _____ that the date of Acceptance of the Agreement is _____

Escrow Holder Seller's Choice Escrow # _____

By _____ Date _____

Address _____

Phone/Fax/E-mail _____

Escrow Holder has the following license number # _____

☐ Department of Financial Protection and Innovation, ☐ Department of Insurance, ☐ Department of Real Estate.

PRESENTATION OF OFFER: _____/_____ Seller's Brokerage Firm presented this offer to Seller on _____ (date).
Broker or Designee Initials

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RIPA REVISED 12/21 (PAGE 18 OF 18) Buyer's Initials DS RM / _____ Seller's Initials DS CW DS JW DS PW

EQUAL HOUSING OPPORTUNITY

RESIDENTIAL INCOME PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (RIPA PAGE 18 OF 18)

Exhibit 1

CALIFORNIA ASSOCIATION OF REALTORS®

BUYER'S INVESTIGATION ADVISORY

(C.A.R. Form BIA, Revised 12/21)

Property Address *8335 Willis Ave, Panorama City, CA 91402-3548*

1. **IMPORTANCE OF PROPERTY INVESTIGATION:** The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.
2. **BROKER OBLIGATIONS:** Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as those listed below. If Broker gives you referrals to professionals, Broker does not guarantee their performance.
3. **YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE FOLLOWING. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**
   - **A. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.
   - **B. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.
   - **C. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms.
   - **D. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.
   - **E. WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
   - **F. ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).
   - **G. EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.
   - **H. FIRE, HAZARD, AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies.
   - **I. BUILDING PERMITS, ZONING, GOVERNMENTAL REQUIREMENTS, AND ADDRESS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size. Postal/mailing address and zip code may not accurately reflect the city which has jurisdiction over the property.
   - **J. RENTAL PROPERTY RESTRICTIONS:** The State, some counties, and some cities impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.
   - **K. SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.

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

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

Buyer DocuSigned by: Ron mayer E6263FF8823B4D9... ***Ron Mayer - Mayer Capital, or assignee*** Date 4/4/2022

Buyer _____ Date _____

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CALIFORNIA CONSUMER PRIVACY ACT ADVISORY, DISCLOSURE AND NOTICE

(C.A.R. Form CCPA, Revised 12/21)

The California Consumer Privacy Act (commencing with Civil Code § 1798.100) ("CCPA") grants to California residents certain rights in their private, personal information ("PI") that is collected by companies with whom they do business. Under the CCPA, PI is defined broadly to encompass non-public records information that could reasonably be linked directly or indirectly to you. PI could potentially include photographs of, or sales information about, your property.

During the process of buying and selling real estate your PI will be collected and likely shared with others, including real estate licensees, a Multiple Listing Service, real estate internet websites, service providers, lenders, and title and escrow companies, to name several possibilities. Businesses that are covered by the CCPA are required to grant you various rights in your PI, including the right to know what PI is collected, "opt out" or stop the transfer of your PI to others, and the right to request that the business delete your PI entirely. You may get one or more notices regarding your CCPA rights from businesses you interact with in a real estate transaction. However, not all businesses that receive or share your PI are obligated to comply with the CCPA. Also, even businesses that are otherwise covered under the CCPA may have a legal obligation to maintain PI, notwithstanding your instruction to the contrary. For instance, regardless of whether they are covered by CCPA, under California law, brokers and Multiple Listing Services are required to maintain their records for 3 years. If you wish to exercise your rights under CCPA, where applicable, you should contact the respective business directly.

You can obtain more information about the CCPA and your rights under the law from the State of California Department of Justice (oag.ca.gov/privacy/ccpa).

I/we acknowledge receipt of a copy of this California Consumer Privacy Act Advisory, Disclosure and Notice.

Buyer/Seller/Landlord/Tenant DocuSigned by: Ron mayer E6263FF8823B4D9... Date 4/4/2022

Ron Mayer - Mayer Capital, or assignee

Buyer/Seller/Landlord/Tenant _____ Date _____

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CONTINGENCY REMOVAL No. 1

(C.A.R. Form CR, Revised 12/21)

In accordance with the terms and conditions of the Purchase Agreement, OR ☐ Request For Repair (C.A.R. Form RR), ☐ Response And Reply To Request For Repair (C.A.R. Form RRRR), ☐ Other _____ dated 04/04/2022, ("Agreement"), on property known as 8335 Willis Ave, Panorama City, CA 91402-3548 ("Property"), between Ron Mayer - Mayer Capital, or assignee ("Buyer") and Chik Pui Wong, Yim Pooi Wong and Lai Hung Wong ("Seller"). Buyer and Seller are referred to as the "Parties."

1. **BUYER REMOVAL OF BUYER CONTINGENCIES:** With respect to any contingency and cancellation right that Buyer removes, unless Otherwise Agreed in a separate written agreement between Buyer and Seller, Buyer shall conclusively be deemed to have: **(i)** completed all Buyer Investigations and review of reports and other applicable information and disclosures; **(ii)** elected to proceed with the transaction; and **(iii)** assumed all liability, responsibility and, expense, **if any**, for Repairs, corrections, or for the inability to obtain financing. Waiver of statutory disclosures is prohibited by law.
2. **Buyer removes ONLY the following individually checked Buyer contingencies:**
   A. ☐ Loan (Paragraph 3L(1) and 8A)
   B. ☐ Appraisal (Paragraph 3L(2) and 8B)
   C. Investigation of Property (Paragraph 3L(3), 8C, and 12)
   (1) ☐ Entire Buyer's Investigation Contingency (Paragraph 12)
   OR (2) ☐ Only the part of the Investigation related to inspections concerning physical attributes of the Property (Paragraph 12B(1))
   OR (3) ☐ All Buyer Investigations other than the physical attributes (Paragraph 12B(2) and (3))
   OR (4) ☐ Entire Buyer's Investigation Contingency, EXCEPT _____
   D. Review of Seller Documents:
   (1) ☐ Review of All Seller Documents (Paragraph 3L(4), 8D, 9B(6), 10A, and 11)
   OR (2) ☐ Review of All Seller Documents, EXCEPT ☐ Government Reports (Paragraph 10A); ☐ Statutory and other Disclosures (Paragraph 11); ☐ Other _____
   E. ☐ Preliminary ("Title") Report (Paragraph 3L(5), 8E, and 13)
   F. ☐ Common Interest (HOA or OA) Disclosures (Paragraph 3L(6), 8F and 11K(1))
   G. ☐ Review of leased or liened items (Paragraph 3L(7), 8G, and 9B(6))
   H. ☐ Sale of Buyer's Property (Paragraph 3L(8) and 8J, C.A.R. Form COP, paragraph 1B and C)(check one or both boxes below)
   ☐ Entering into contract for Buyer's Property ☐ Close of Escrow on Buyer's Property
   I. ☐ Other: _____
3. ☐ **ALL Buyer contingencies are removed, EXCEPT:** ☐ Loan Contingency (Paragraph 3L(1) and 8A); ☐ Appraisal Contingency (Paragraph 3L(2) and 8B); ☐ Contingency for the Close of Buyer's Property (Paragraph 3L(8) and 8G); ☐ Condominium/Planned Development (HOA) Disclosures (Paragraph 3L(6), 8F and 11K(1)); ☐ Other _____
4. ☒ **BUYER HEREBY REMOVES ANY AND ALL BUYER CONTINGENCIES.**
5. **Once all contingencies are removed, whether or not Buyer has satisfied themselves regarding all contingencies or received any information relating to those contingencies, Buyer may not be entitled to a return of Buyer's deposit if Buyer does not close escrow. This could happen even if, for example, Buyer does not approve of some aspect of the Property or lender does not approve Buyer's loan.**

NOTE: If this form is attached to a Request for Repairs (C.A.R. Form RR), Seller Response and Buyer Reply to Request for Repairs (C.A.R. Form RRRR), or another form or document such as an addendum (C.A.R. Form ADM) or Amendment to Existing Agreement (C.A.R. Form AEA) it is only valid if Buyer and Seller agree to the requests made on that form or document. (Paragraph numbers refer to C.A.R. Form RRA. Applicable paragraph numbers may be different for different forms.)

Buyer DocuSigned by: Ron mayer E6263FF8823B4D9... Ron Mayer - Mayer Capital, or assignee **Date** 4/4/2022

Buyer _____ **Date** _____

6. **SELLER REMOVAL OF SELLER CONTINGENCIES:**
   NOTE: This section is solely for the purpose of removing Seller contingencies and should only be signed by Seller if they are removing Seller contingencies.
   Seller hereby removes the following Seller contingencies:
   ☐ Finding of replacement property (C.A.R. Form SPRP); ☐ Closing on replacement property (C.A.R. Form SPRP)
   ☐ Other _____

Seller _____ **Date** _____

Seller _____ **Date** _____

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STATEWIDE BUYER AND SELLER ADVISORY

(This Form Does Not Replace Local Condition Disclosures. Additional Advisories or Disclosures May Be Attached)

(C.A.R. Form SBSA, Revised 6/21)

BUYER RIGHTS AND DUTIES:

- The physical condition of the land and improvements being purchased are not guaranteed by Seller or Brokers.
- You should conduct thorough investigations of the Property both personally and with appropriate professionals.
- If professionals recommend further inspections, you should contact qualified experts to conduct such inspections.
- You should retain your own professional even if Seller or Broker has provided you with existing reports.
- You should read all written reports given to you and discuss those reports with the persons who prepared them. It is possible that different reports provided to you contain conflicting information. If there are discrepancies between reports, disclosures or other information, you are responsible for contacting appropriate professionals to confirm the accuracy of correctness of the reports, disclosures or information.
- You have the right to request that the Seller make repairs or corrections or take other actions based on inspections or disclosures, but the Seller is not obligated to respond to you or make any such repairs, corrections or other requested actions.
- If the Seller is unwilling or unable to satisfy your requests, and you act within certain time periods, you may have the right to cancel the Agreement (the Purchase Agreement and any Counter Offer and Addenda together are the "Agreement"). If you cancel outside of these periods, you may be in breach of the Agreement and your deposit might be at risk.
- You are advised to seek legal, tax, and other assistance from appropriate professionals in order to fully understand the implications of any documents or actions during the transaction. If you are doing a 1031 exchange, you are advised to contact an exchange accommodator to discuss the proper method and timing of the exchange.
- The terms of the Agreement and any counter offers and addenda establish your rights and responsibilities.

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.

SELLER RIGHTS AND DUTIES:

- You have a duty to disclose material facts known to you that affect the value or desirability of the Property.
- You are obligated to make the Property available to the Buyer and have utilities on for inspections as allowed by the Agreement.
- This form is not a substitute for completing a Real Estate Transfer Disclosure Statement, if required, and any other property-specific questionnaires or disclosures.
- The terms of the Agreement establish your rights and responsibilities.
- You are advised to seek legal, tax, and other assistance from appropriate professionals in order to fully understand the implications of any documents or actions during the transaction. If you are doing a 1031 exchange, you are advised to contact an exchange accommodator to discuss the proper method and timing of the exchange.

BROKER RIGHTS AND DUTIES:

- Brokers do not have expertise in all areas and matters affecting the Property or your evaluation of it.
- For most sales of residential properties with no more than four units, Brokers have a duty to make a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose to you material facts or defects that the inspection reveals.
- Many defects and conditions may not be discoverable by a Broker's visual inspection.
- If Brokers give a referral to another professional, Brokers do not guarantee that person's performance. You may select any professional of your own choosing.
- If a Broker gives you reports or other documents, unless otherwise specified, it is possible that different reports provided to you contain conflicting information. Broker has not and will not verify or otherwise investigate the information contained therein.
- Any written agreement between a Broker and either Buyer or Seller or both establishes the rights and responsibilities of those parties.

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A. Investigation of Physical Conditions

1. **EASEMENTS, ACCESS AND ENCROACHMENTS:** Buyer and Seller are advised that confirming the exact location of easements, shared or private driveways or roadways, and encroachments on or to the Property may be possible only by conducting a survey. There may be unrecorded easements, access rights, encroachments and other agreements affecting the Property that may not be disclosed by a survey. Representations regarding these items that are made in a Multiple Listing Service or advertisements, or plotted by a title company are often approximations, or based upon inaccurate or incomplete records. Unless otherwise specified by Broker in writing, Brokers have not verified any such matters or any representations made by Seller(s) or others. If Buyer wants further information, Buyer is advised and Broker(s) recommend that Buyer hire a licensed surveyor during Buyer's inspection contingency period. Brokers do not have expertise in this area.

2. **ENVIRONMENTAL HAZARDS:** Buyer and Seller are advised that the presence of certain kinds of organisms, toxins and contaminants, including, but not limited to, mold (airborne, toxic or otherwise), fungi, mildew, lead-based paint and other lead contamination, asbestos, formaldehyde, radon, pcb's, methane, other gases, fuel oil or chemical storage

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tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, urea formaldehyde, or other materials may adversely affect the Property and the health of individuals who live on or work at the property as well as pets. Some municipalities may impose additional requirements regarding underground storage tanks, which may be more common in certain areas and cities throughout the State, especially where there are larger, older homes built before 1935. It is possible that these tanks, either now or in the future, may require inspections or abatement. If Buyer wants further information, Buyer is advised, and Broker(s) recommends, that Buyer have the Property inspected for the existence of such conditions and organisms, and conditions that may lead to their formation. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Buyer is also advised to consult with appropriate experts regarding this topic during Buyer's inspection contingency period. Broker recommends that Buyer and Seller read the booklets titled, "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants," and "Protect Your Family From Lead In Your Home." Brokers do not have expertise in this area.

3. **FORMALDEHYDE:** Formaldehyde is a substance known to the State of California to cause cancer. Exposure to formaldehyde may be caused by materials used in the construction of homes. The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of select homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes that were tested. Formaldehyde is present in the air because it is emitted by a variety of building materials and home products used in construction. The materials include carpeting, pressed wood products, insulation, plastics, and glues. Most homes that have been tested elsewhere do contain formaldehyde, although the concentrations vary from home to home with no obvious explanation for the differences. One of the problems is that many suppliers of building materials and home products do not provide information on chemical ingredients to builders. Buyers may have further questions about these issues. Buyer is advised to consult with appropriate experts regarding this topic during Buyer's inspection contingency period. Broker(s) recommend that Buyer and Seller read the booklet titled "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants." Brokers do not have expertise in this area.
4. **GEOLOGIC HAZARDS:** Buyer and Seller are advised that California has experienced earthquakes in the past, and there is always a potential of future earthquakes. Damage caused by an earthquake may not be discoverable by a visual inspection of Buyer(s) or Broker(s). Inspection by a licensed, qualified professional is strongly recommended to determine the structural integrity and safety of all structures and improvements on the Property. If the Property is a condominium, or located in a planned unit development or in a common interest subdivision, Buyer is advised to contact the homeowners association about earthquake repairs and retrofit work and the possibility of an increased or special assessment to defray the costs of earthquake repairs or retrofit work. Buyer is encouraged to obtain and read the booklet entitled, "The Homeowner's Guide to Earthquake Safety." In most cases a questionnaire within the booklet must be completed by Seller and the entire booklet given to the Buyer if the Property was built prior to 1960. If the Property was built before 1975, and contains structures constructed of masonry or precast (tilt up) concrete walls, with wood frame floors or roof, or if the building has unreinforced masonry walls, then Seller must provide Buyer a pamphlet entitled "The Commercial Property Owner's Guide to Earthquake Safety." Many areas have a wide range of geologic problems and numerous studies have been made of these conditions. Some of this information is available for public review at city and county planning departments. Buyer is encouraged to review the public maps and reports and/or obtain a geologist's inspection report. Buyer may be able to obtain earthquake insurance to protect their interest in the Property. Sellers who agree to provide financing should also consider requiring Buyers to obtain such insurance naming Seller(s) as insured lien holder(s). Brokers do not have expertise in this area.
5. **INSPECTIONS:** Buyer and Seller are advised that Buyer has the right to obtain various inspections of the Property under most residential purchase agreements. Buyer is advised to have the Property inspected by a professional property inspection service within Buyer's inspection contingency period. A licensed building contractor or other professional may perform these services. The inspector generally does not look behind walls or under carpets, or take equipment apart. Certain items on the Property, such as chimneys and spark arresters, plumbing, heating, air conditioning, electrical wiring, pool and spa, septic system, well, roof, foundation and structural items may need to be inspected by another professional, such as a chimney sweep, plumber, electrician, pool and spa service, septic or well company or roofer. A general physical inspection typically will not test for mold, wood destroying pests, lead-based paint, radon, asbestos and other environmental hazards, geologic conditions, age, remaining useful life or water-tightness of roof, cracks, leaks or operational problems associated with a pool or spa or connection of the Property to a sewer system. If Buyer wants further information on any aspect of the Property, Broker recommends that Buyer have a discussion with the professional property inspector and that Buyer hire an appropriate professional for the area of concern to Buyer. Brokers do not verify the results of any such inspection or guarantee the performance of any such inspector or service. Any election by Buyer to waive the right to a physical inspection of the Property or to rely on somebody other than an appropriate professional is against the advice of Brokers. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Brokers do not have expertise in these area.
6. **MOLD:** Buyer and Seller are advised that the presence of certain kinds of mold, fungi, mildew and other organisms, sometimes referred to as "toxic mold" (collectively "Mold"), may adversely affect the Property and the health of individuals who live on or work at the Property as well as pets. Mold does not affect all people the same way, and may not affect some people at all. Mold may be caused by water leaks or other sources of moisture such as, but not limited to, flooding, and leaks in windows, pipes and roof. Seller is advised to disclose the existence of any such conditions of which he or she is aware. Buyer should carefully review all of Seller's disclosures for any indication that any of these conditions exist. It is, however, possible that Mold may be hidden and that Seller is completely unaware of its

existence. In addition, Mold is often undetectable from a visual inspection, a professional general property inspection and even a structural pest control inspection. Brokers do not have expertise in this area. If Buyer wants further information, Broker recommends that Buyer have the Property tested for Mold by an environmental hygienist or other appropriate professional during Buyer's inspection contingency period. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Brokers do not have expertise in this area.

7. **PETS AND ANIMALS:** Buyer and Seller are advised that the current or previous owner(s) may have had domesticated or other pets and animals at the Property. Odors from animal urine or other contamination may be dormant for long periods of time and then become active because of heat, humidity or other factors and might not be eliminated by cleaning or replacing carpets or other cleaning methods. Pet urine and feces can also damage hardwood floors and other floor coverings. Additionally, an animal may have had fleas, ticks and other pests that remain on the Property after the animal has been removed. If Buyer wants further information, Broker(s) recommend that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

8. **SEPTIC SYSTEMS:** Buyer and Seller are advised that a property may be served by one or more septic systems even though adjoining properties are connected to a sewer line. Buyer and Seller are also advised that some septic tanks and systems may have been abandoned or have leaked into ground water sources. Buyer is advised to contact the appropriate government agency to verify that the Property is connected to a sewer or served by a septic system. If the Property is served by a septic system, it may consist of a septic tank, cesspool, pits, leach lines or a combination of such mechanisms ("collectively, System"). No representation or warranty is made by Seller or Broker concerning the condition, operability, size, capacity or future expansion of a System, nor whether a System is adequate for use by the intended occupants of the Property. A change in the number of occupants or the quantity, composition or methods of depositing waste may affect the efficiency of the System. In addition, the amount of rainfall and ground water table may also affect the efficiency of the System. Many factors including, but not limited to, natural forces, age, deterioration of materials and the load imposed on a System can cause the System to fail at any time. Broker recommends that Buyer obtain an independent evaluation of any System by a qualified sanitation professional during Buyer's inspection contingency period. Buyer should consult with their sanitation professional to determine if their report includes the tank only, or other additional components of the System such as pits and leach fields. Not all inspectors are licensed and licenses are not available for all types of inspection activities. In some cases, Buyer's lender as well as local government agencies may require System inspection. System-related maintenance costs may include, but not be limited to, locating, pumping or providing outlets to ground level. Brokers are unable to advise Buyer or Seller regarding System-related issues or associated costs, which may be significant. If Buyer and Seller agree to obtain a System inspection, Buyer and Seller are cautioned that the inspection cost may include, but not be limited to, the costs of locating, pumping or providing outlets to ground level. Brokers do not have expertise in this area.

9. **SOIL AND GEOLOGIC CONDITIONS:** Buyer and Seller are advised that real estate in California is subject to settling, slippage, contraction, expansion erosion, subsidence, earthquakes and other land movement. The Property may be constructed on fill or improperly compacted soil and may have inadequate drainage capability. Any of these matters can cause structural problems to improvements on the Property. Civil or geo-technical engineers are best suited to evaluate soil stability, grading, drainage and other soil conditions. Additionally, the Property may contain known or unknown mines, mills, caves or wells. If Buyer wants further information, Broker recommends that Buyer hire an appropriate professional. Not all inspectors are licensed and licenses are not available for all types of inspections. Brokers do not have expertise in this area.

10. **SQUARE FOOTAGE, LOT SIZE, BOUNDARIES AND SURVEYS:** Buyer and Seller are advised that only an appraiser or land surveyor, as applicable, can reliably confirm square footage, lot size, Property corners and exact boundaries of the Property. Representations regarding these items that are made in a Multiple Listing Service, advertisements, and from property tax assessor records are often approximations, or based upon inaccurate or incomplete records. Fences, hedges, walls or other barriers may not represent actual boundary lines. Unless otherwise specified by Broker in writing, Brokers have not verified any such boundary lines or any representations made by Seller or others concerning square footage, lot size, Property corners or exact boundaries. Standard title insurance does not insure the boundaries of the Property. If the exact square footage or lot size or location of Property corners or boundaries is an important consideration in Buyer's decision to purchase the Property and/or how much Buyer is willing to pay for the Property, then Buyer must independently conduct Buyer's own investigation through appropriate professionals, appraisers, or licensed surveyors and rely solely on their data, recognizing that all measurements may not be consistent and that different sources may have different size assessments. Brokers do not have expertise in this area.

11. **WATER INTRUSION:** Buyer and Seller are advised that many homes suffer from water intrusion or leakage. The causes of water intrusion are varied, and can include defective construction, faulty grading, deterioration of building materials and absence of waterproof barriers. Water intrusion can cause serious damage to the Property. This damage can consist of wood rot, mold, mildew and even damage to the structural integrity of the Property. The cost of repairing and remediating water intrusion damage and its causes can be very significant. The existence and cause of water intrusion is often difficult to detect. Because you, your Broker or a general home inspector cannot visually observe any effects of water intrusion, Buyer and Seller should not assume that such intrusion does not exist. Broker recommends that Buyer have the Property inspected for water intrusion by an appropriate professional. Brokers do not have expertise in this area.

12. **WELL AND WATER SYSTEM(S):** Buyer and Seller are advised that the Property may be served by one or more water wells, springs, or private community or public water systems. Any of these private or public water systems may contain

bacteria, chemicals, minerals and metals, such as chromium. Well(s) may have been abandoned on the Property. Buyer is advised to have both the quality and the quantity of water evaluated, and to obtain an analysis of the quality of any domestic and agricultural water in use, or to be used at the Property, from whatever source. Water quality tests can include not only tests for bacteria, such as coliform, but also tests for organic and inorganic chemicals, metals, mineral content and gross alpha testing for radioactivity. Broker recommends that Buyer consult with a licensed, qualified well and pump company and local government agency to determine whether any well/spring or water system will adequately serve Buyer's intended use and that Buyer have a well consultant perform an extended well output test for this purpose. Water well or spring capacity, quantity output and quality may change at any time. There are no guarantees as to the future water quality, quantity or duration of any well or spring. If Buyer wants further information, Broker(s) recommend that Buyer obtain an inspection of the condition, age, adequacy and performance of all components of the well/spring and any water system during Buyer's inspection contingency period. Brokers do not have expertise in this area.

13. **WOOD DESTROYING PESTS:** Buyer and Seller are advised that the presence of, or conditions likely to lead to the presence of infestation or infection of wood destroying pests and organisms may adversely affect the Property. Inspection reports covering these items can be separated into two sections: Section 1 identifies areas where infestation or infection is evident. Section 2 identifies areas where there are conditions likely to lead to infestation or infection. If Buyer wants further information, Buyer is advised and Broker recommends that Buyer have the Property inspected for the existence of such conditions and organisms, and conditions that may lead to their formation, by a registered structural pest control company during Buyer's inspection contingency period. Brokers do not have expertise in this area.
14. **FIRE HARDENING, DEFENSIBLE SPACE, AND WILDFIRE DISASTERS:** California is subject to wildfires which have resulted in damage and destruction of many properties located in the state. Several recent state laws have mandated disclosures by sellers when selling properties in certain identified zones, such as “high” or “very high” fire severity zones. Additionally, state law mandates that sellers provide buyers with statements of compliance with local mandates if adopted by local agencies. The Property may be located in a high or very high fire severity zone. This may impact the availability of insurance and the ability to build or rebuild structures on the Property. Additionally, there may be requirements that certain fire prevention steps may be mandated. Information on fire hardening, including current building standards and information on minimum annual vegetation management standards to protect homes from wildfires, can be obtained on the internet website http://www.readyforwildfire.org.
Cal Fire has made available a “Fire Hazard Severity Zone Viewer” where you can input the Property address to determine which fire hazard zone, if any, that the Property is located in. The viewer is available at https://egis.fire.ca.gov/FHSZ/.
Below is a partial list of potential resources provided as a starting point for Buyer/Lessee investigations and not as an endorsement or guarantee that any federal, state, county, city or other resource will provide complete advice.
    A. California Department of Insurance (“Wildfire Resource”) http://insurance.ca.gov/01-consumers/140-catastrophes/WildfireResources.cfm; 1-800-927-4357
    B. Governor's Office of Emergency Services “Cal OES” California Wildfires Statewide Recovery Resources http://wildfirerecovery.org/
    C. California Department of Forestry and Fire “Cal Fire” http://fire.ca.gov/ and https://www.readyforwildfire.org/
    D. California Department of Transportation https://calsta.ca.gov/
    E. California Attorney General https://oag.ca.gov/consumers/pricegougingduringdisasters#8C1

    Brokers do not have expertise in this area.

B. Property Use and Ownership

1. **ACCESSORY DWELLING UNITS:** Accessory Dwelling Units (ADUs) are known by many names: granny flats, in-law units, backyard cottages, secondary units and more. California has passed laws to promote the development of ADUs. Additional information about ADUs can be found at http://hcd.ca.gov/policy-research/AccessoryDwellingUnits.shtml. Buyer is advised to check with appropriate government agencies or third party professionals to verify permits and legal requirements and the effect of such requirements on current and future use and rentability of the Property, its development and size. Brokers do not have expertise in this area.
2. **BUILDING PERMITS, ZONING AND CODE COMPLIANCE:** Buyer and Seller are advised that any structure on the Property, including the original structure and any addition, modification, remodel or improvement may have been built without permits, not according to building codes, or in violation of zoning laws. Further, even if such structure was built according to the then-existing code or zoning requirement, it may not be in compliance with current building standards or local zoning. It is also possible that local law may not permit structures that now exist to be rebuilt in the event of damage or destruction. Certain governmental agencies may require periodic inspections to occur in the future. If Buyer wants further information, Broker(s) recommend that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.
3. **BUYER INTENDED FUTURE USE OF, AND MODIFICATIONS TO, THE PROPERTY:** Buyer and Seller are advised that Seller's existing use of the property may not be consistent with Buyer's intended use or any future use that Buyer makes of the property, whether or not Buyer has any current plans to change the use. Buyer is advised to check with appropriate government agencies or third party professionals to verify what legal requirements are needed to accommodate any change in use. In addition, neither Seller nor Broker make any representations as to what modifications Buyer can make to the Property after close of escrow as well as any cost factors associated with any such modifications. Buyer is advised to check with his own licensed contractor and other such professionals as well as with the appropriate government agencies to determine what modifications Buyer will be allowed to make after close of escrow. Brokers do not have expertise in this area.

Exhibit 1

4. **CALIFORNIA FAIR PLAN:** Buyer and Seller are advised that insurance for certain hillside, oceanfront and brush properties may be available only from the California Fair Plan. This may increase the cost of insurance for such properties and coverage may be limited. Broker(s) recommend that Buyer consult with Buyer's own insurance agent during Buyer's inspection contingency period regarding the availability of coverage under the California Fair Plan and the length of time it may take for processing of a California Fair Plan application. Brokers do not have expertise in this area.
5. **FUTURE REPAIRS, REPLACEMENTS AND REMODELS:** Buyer and Seller are advised that replacement or repairs of certain systems or rebuilding or remodeling of all or a portion of the Property may trigger requirements that homeowners comply with laws and regulations that either come into effect after Close of Escrow or are not required to be complied with until the replacement, repair, rebuild or remodel has occurred. Permit or code requirements or building standards may change after Close of Escrow, resulting in increasing costs to repair existing features. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.
6. **HEATING VENTILATING AND AIR CONDITIONING SYSTEMS:** Changes to state and federal energy efficiency regulations impact the installation, replacement and some repairs of heating and air conditioning units (HVAC): **(i)** Federal regulations now require manufacturers of HVAC units to produce only units meeting a new higher Seasonal Energy Efficiency Rating (SEER). This will likely impact repairs and replacements of existing HVAC units. State regulations now require that when installing or replacing HVAC units, with some exceptions, duct work must be tested for leaks. Duct work leaking more than 15 percent must be repaired to reduce leaks. The average existing duct work typically leaks 30 percent. More information is available at the California Energy Commission's website https://www.energy.ca.gov/programs-and-topics/programs/home-energy-rating-system-hers-program. Home warranty policies may not cover such inspections or repairs, **(ii)** the phase out of the use of HCFC-22 (R-22 Freon) will have an impact on repairs and replacement of existing air conditioning units and heat pumps. The production and import of HCFC-22 ended January 1, 2020. Existing systems may continue to be used and HCFC-22 recovered and reclaimed or that was produced prior to 2020 can help meet the needs of existing systems, however, costs may rise. More information is available from the Environmental Protection Agency at https://www.epa.gov/sites/production/files/2018-08/documents/residential_air_conditioning_and_the_phaseout_of_hcfc-22_what_you_need_to_know.pdf and http://www.epa.gov/ozone/title6/phaseout/22phaseout.html, and **(iii)** New efficiency standards are also in place for water heaters. As a consequence, replacement water heaters will generally be larger than existing units and may not fit in the existing space. Additional venting and other modifications may be required as well. More information is available from the U.S. Department of Energy at http://www.eere.energy.gov/buildings/appliance_standards/product.aspx/productid/27. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.
7. **HISTORICAL DESIGNATION, COASTAL COMMISSION, ARCHITECTURAL, LANDSCAPE, AGRICULTURAL OR OPEN SPACE AND OTHER RESTRICTIONS ON BUILDINGS OR IMPROVEMENTS:** Buyer and Seller are advised that the Property may be: **(i)** designated as a historical landmark, **(ii)** protected by a historical conservancy, **(iii)** subject to an architectural or landscaping review process, **(iv)** within the jurisdiction of the California Coastal Commission or other government agency, or **(v)** subject to a contract preserving use of all or part of the Property for agriculture or open space. If the Property is so designated or within the jurisdiction of any such, or similar, government agency, then there may be restrictions or requirements regarding Buyer's ability to develop, remove or trim trees or other landscaping, remodel, make improvements to and build on or rebuild the Property. Broker(s) recommend that Buyer satisfy him/herself during Buyer's inspection contingency period if any of these issues are of concern to Buyer. Brokers do not have expertise in this area.
8. **INSURANCE, TITLE INSURANCE AND TITLE INSURANCE AFTER FORECLOSURE:** Buyer and Seller are advised that Buyer may have difficulty obtaining insurance regarding the Property if there has been a prior insurance claim affecting the Property or made by Buyer but unrelated to the Property. Seller is required by C.A.R. Form RPA to disclose known insurance claims made during the past five years (C.A.R. Form SPQ or ESD). Sellers may not be aware of claims prior to their ownership. If Buyer wants further information, Broker(s) recommend that, during Buyer's inspection contingency period, Buyer conduct his or her own investigation for past claims. Buyer may need to obtain Seller's consent in order to have access to certain investigation reports. If the Property is a condominium, or is located in a planned unit development or other common interest subdivision, Buyer and Seller are advised to determine if the individual unit is covered by the Homeowner's Association Insurance and the type of insurance coverage that Buyer may purchase. Broker(s) recommend that Buyer consult Buyer's insurance agents during Buyer's inspection contingency period to determine the need, availability and possibility of securing any and all forms of other insurance or coverage or any conditions imposed by insurer as a requirement of issuing insurance. If Buyer does any repairs to the property during the escrow period or Buyer takes possession prior to Close of Escrow or Seller remains in possession after Close of Escrow, whether for a limited or extended period of time, Broker(s) recommend that Buyer and Seller each consult with their own insurance agent regarding insurance or coverage that could protect them in the transaction (including but not limited to: personal property, flood, earthquake, umbrella and renter's). Buyer and Seller are advised that traditional title insurance generally protects Buyer's title acquired through the sale of the property. While all title insurance policies, as do all insurance policies, contain some exclusions, some title insurance policies contain exclusions for any liability arising from a previous foreclosure. This can occur when a short sale has occurred but the lender mistakenly has also proceeded with a foreclosure. Buyer is strongly advised to consult with a title insurer to satisfy themselves that the policy to be provided adequately protects their title to the property against other possible claimants. Brokers do not have expertise in this area.
9. **LAND LEASE:** Buyer and Seller are advised that certain developments are built on leased land. This means that: **(i)**

Buyer does not own the land, **(ii)** the right to occupy the land will terminate at some point in time, **(iii)** the cost to lease the land may increase at some point in the future, and **(iv)** Buyer may not be able to obtain title insurance or may have to obtain a different type of title insurance. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an attorney or other appropriate professional. Brokers do not have expertise in this area.

10. **MARIJUANA, CANNABIS, AND METHAMPHETAMINE LABS:** Buyer and Seller are advised that California law permits individual patients to cultivate, possess and use marijuana for medical purposes. Furthermore, California law permits primary caregivers, lawfully organized cooperatives, and collectives to cultivate, distribute and possess marijuana for medicinal purposes. California law also allows recreational use of marijuana for adults, as well as limited rights for individuals to grow and cultivate marijuana, and rights of others, subject to a licensing process, to grow, cultivate and distribute marijuana for recreational use. California's medical and recreational marijuana laws are in direct conflict with federal law which recognizes no lawful use for marijuana and has no exemptions for medical use. Federal criminal penalties, some of which mandate prison time, remain in effect for the possession, cultivation and distribution of marijuana. Buyer and Seller are strongly advised to seek legal counsel as to the legal risks and issues surrounding owning or purchasing a property where medical or any other marijuana activity is taking place. Marijuana storage, cultivation and processing carry the risk of causing mold, fungus or moisture damage to a property, additionally, some properties where marijuana has been cultivated have had alterations to the structure or the electrical system which may not have been done to code or with permits and may affect the safety of the structure or the safe operation of the electrical system. Buyer is strongly advised to retain an environmental hygienist contractor and other appropriate professionals to inspect a property where medical or any other marijuana activity has taken place. Broker recommends that Buyer and Seller involved with a property where there is medical marijuana activity or where it may take place review the California Attorney General's Guidelines for the "Security and Non-Diversion of Marijuana Grown for Medical Use" https://oag.ca.gov/system/files/attachments/press-docs/MEDICINAL%20CANNABIS%20Guidelines.pdf and the U.S. Department of Justice memo regarding marijuana prosecutions at https://www.justice.gov/opa/press-release/file/1022196/download. Brokers do not have expertise in this area. While no state law permits the private production of methamphetamine, some properties have been the site of an illegal methamphetamine laboratory. State law imposes an obligation to notify occupants, a ban on occupying the property and clean up requirements when authorities identify a property as being contaminated by methamphetamine. Buyer is advised that a property where methamphetamine has been produced may pose a very serious health risk to occupants. Buyer is strongly advised to retain an environmental hygienist contractor or other appropriate professionals to inspect the property if methamphetamine production is suspected to have taken place. Brokers do not have expertise in this area.

11. **OWNER'S TITLE INSURANCE:** The Truth in Lending/RESPA integrated disclosure (TRID) established by the Consumer Financial Protection Bureau (CFPB) requires that lenders must tell borrowers that title insurance is "optional." While obtaining an owner's policy of title insurance may be "optional", it may be a contractual requirement as between Buyer and Seller. Furthermore, California Civil Code § 1057.6 requires that Buyers be provided with the following notice: "IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING."

    Additionally, even the CFPB on its "ask CFPB" "What is owner's title insurance?" page advises "You may want to buy an owner's title insurance policy, which can help protect your financial interest in the home." Moreover, not obtaining an owner's policy may increase the cost of the lender's policy (required by most lenders), possibly require the separate purchase of a preliminary title report, and may have an impact on the sale of the Property in the future.

    Buyers who decide to opt out of obtaining an owner's title insurance policy are acting against the advice of Brokers as well as the advice provided in the California Civil Code § 1057.6 and by the CFPB. Brokers do not have expertise in this area.

12. **RENT AND EVICTION CONTROL LAWS AND ORDINANCES:** Buyer and Seller are advised that California and some cities and counties impose or may impose restrictions that limit the rent that can be charged to a tenant, the maximum number of tenants who can occupy the property, the right of a landlord to terminate a tenancy and the costs to do so. If Buyer wants further information, Broker(s) recommend that Buyer investigate the issue with an appropriate government authority or HOA during Buyer's inspection contingency period. Brokers do not have expertise in this area.

13. **RETROFIT, BUILDING REQUIREMENTS, AND POINT OF SALE REQUIREMENTS:** Buyer and Seller are advised that state and local Law may require **(i)** the installation of operable smoke detectors, **(ii)** bracing or strapping of water heaters, and **(iii)** upon sale completion of a corresponding written statement of compliance that is delivered to Buyer. Although not a point of sale or retrofit obligation, state law may require the property to have operable carbon monoxide detection devices. Additionally, some city and county governments may impose additional retrofit standards at time of sale including, but not limited to, installing or retrofitting low-flow toilets and showerheads, gas shut-off valves, fireplaces, and tempered glass. Further, there may be potential health impacts from air pollution caused from burning wood. Exposure to particulate matter from the smoke may cause short-term and long-term health effects. Buyers should consult with licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace. Broker(s) recommend that Buyer and Seller consult with the appropriate government agencies, inspectors, and other professionals to determine the retrofit standards for the Property, the extent to which the Property complies with such standards, and the costs, if any, of compliance. Brokers do not have expertise in this area.

14. **SHORT TERM RENTALS AND RESTRICTIONS:** Buyer and Seller are advised that some cities, counties and Homeowner Associations (HOAs) do impose or may impose restrictions that limit or prohibit the right of the owner or occupant to rent-

out the Property for short periods of time (usually 30 Days or less). In short term rentals, as well as all rentals, Buyer and Seller are advised to seek assistance to ensure compliance with all fair housing laws and regulations. If Buyer wants further information, Broker(s) recommend that Buyer investigate the issue with an appropriate government authority or HOA during Buyer's inspection contingency period. Brokers do not have expertise in this area.

15. **VIEWS:** Buyer and Seller are advised that present views from the Property may be affected by future development or growth of trees and vegetation on adjacent properties and any other property within the line of sight of the Property. Brokers make no representation regarding the preservation of existing views. If Buyer wants further information, Broker(s) recommend that Buyer review covenants, conditions and restrictions, if any, and contact neighboring property owners, government agencies and homeowner associations, if any, during Buyer's inspection contingency period. Brokers do not have expertise in this area.
16. **SWIMMING POOL, SECURITY AND SAFETY:** Buyer and Seller are advised that state and local Law may require the installation of barriers, anti-entrapment grates, access alarms, self-latching mechanisms, pool covers, exit alarms 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 may not be in compliance with these requirements. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions and other requirements. State law requires that new pools and spas be equipped with at least two of seven specified drowning prevention safety features. Home inspectors have a statutory obligation to perform a non-invasive physical examination of the pool area to identify which safety features are present. Brokers do not have expertise in this area.
17. **WATER SHORTAGES AND CONSERVATION:** Buyer and Seller are advised that the Property may be located in an area that could experience water shortages. The policies of local water districts and the city or county in which the Property is located can result in the occurrence of any or all of the following: **(i)** limitations on the amount of water available to the Property, **(ii)** restrictions on the use of water, and **(iii)** an increasingly graduated cost per unit of water use, including, but not limited to, penalties for excess usage. For further information, Broker recommends that Buyer contact the supplier of water to the Property regarding the supplier's current or anticipated policies on water usage and to determine the extent to which those policies may affect Buyer's intended use of the Property. If the Property is serviced by a private well, Buyer is advised that drought conditions and/or a low water table may make it necessary to arrange, through a private supplier, for delivery of water to the Property. Buyers should contact water truck companies for the costs involved. Brokers do not have expertise in this area.
18. **1915 IMPROVEMENT BOND MELLO-ROOS COMMUNITY DISTRICT, AND OTHER ASSESSMENT DISTRICTS:** Buyer and Seller are advised that the Property may be subject to an improvement bond assessment under the Improvement Bond Act of 1915, a levy of a special tax pursuant to a Mello-Roos Community Facilities district, and/or a contractual assessment as provided in § 5898.24 of the Streets And Highways Code or other assessment districts. Seller is generally required to make a good faith effort to obtain a disclosure notice from any local agency collecting such taxes and deliver such notice to Buyers. If there is a question as to whether an existing bond or assessment will be prorated as of the close of escrow, or whether Seller will pay off the bond or assessment at close of escrow, Buyers are advised to discuss the matter with the appropriate entity and address the responsibility for payment in negotiations for the purchase agreement or amendment prior to removing contingencies. Some cities and other localities have begun, or have the intention to begin, the process of requiring the replacement of utility poles by requiring that utility lines be buried underground. These projects can result in special tax assessments and set-up costs that are imposed on individual property owners. Brokers do not have expertise in this area.

C. Off-Site and Neighborhood Conditions

1. **GOLF COURSE DISCLOSURES:** Buyer and Seller are advised that if the Property is located adjacent to or near a golf course the following may apply: **(i)** Stray golf balls − Any residence near a golf course may be affected by errant golf balls, resulting in personal injury or destruction to property. Golfers may attempt to trespass on adjacent property to retrieve golf balls even though the project restrictions may expressly prohibit such retrieval. **(ii)** Noise and lighting − The noise of lawn mowers irrigation systems and utility vehicles may create disturbances to homeowners. Maintenance operations may occur in the early morning hours. Residents living near the clubhouse may be affected by extra lighting, noise, and traffic. **(iii)** Pesticides and fertilizer use − A golf course may be heavily fertilized, as well as subjected to other chemicals during certain periods of the year. **(iv)** Irrigation system − Golf course sprinkler systems may cause water overspray upon adjacent property and structures. Also the irrigation system of a golf course may use reclaimed and retreated wastewater. **(v)** Golf carts − Certain lots may be affected more than others by the use of golf carts. Lots adjacent to a tee or putting green may be subject to noise disturbances and loss of privacy. **(vi)** Access to golf course from residences − It is likely that most residences will not have direct access from their lots to the golf course. The project restrictions may disclaim any right of access or other easements from a resident's lot onto the golf course. **(vii)** View obstruction − Residents living near a golf course may have their views over the golf course impacted by maturing trees and landscaping or by changes to the course's configuration. **(viii)** Water restrictions − As some municipalities face water shortages, the continued availability of water to the golf course may be restricted or otherwise reduced by the local water agency. If Buyer wants further information, Broker(s) recommend that Buyer contact the local water agency regarding this matter. Brokers do not have expertise in this area.
2. **NEIGHBORHOOD, AREA, PERSONAL FACTORS, BUYER INTENDED USE, HIGH SPEED RAILS, AND SMOKING RESTRICTIONS:** Buyer and Seller are advised that the following may affect the Property or Buyer's intended use of it:

neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to medical marijuana growing or distribution locations, cell phone towers, manufacturing, commercial, industrial, airport or agricultural activities or military ordnance locations, existing and proposed transportation, construction, and development, any other source that may affect noise, view, traffic, or odor, wild and domestic animals, susceptibility to tsunami and adequacy of tsunami warnings, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally-protected sites or improvements, cemeteries, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer and FAA requirements for recreational and non-recreational use of Unmanned Aircraft Systems (UAS) (drones) (see UAS frequently asked questions http://www.faa.gov/uas/faqs/). California is potentially moving toward high speed rail service between Northern and Southern California. This rail line could have an impact on the Property if it is located nearby. More information on the timing of the project and routes is available from the California High-Speed Rail Authority at www.cahighspeedrail.ca.gov/. The State of California has long-standing no smoking laws in place restricting smoking in most business and some public spaces. Local jurisdictions may enact laws that are more restrictive than state law. Many California cities have enacted restrictions on smoking in parks, public sidewalks, beaches and shopping areas. Some jurisdictions have restrictions entirely banning smoking inside privately owned apartments and condominiums as well as in the common areas of such structures, or limiting smoking to certain designated areas. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions. Brokers do not have expertise in this area.

3. **NEIGHBORHOOD NOISE SOURCES:** Buyer and Seller are advised that even if the Property is not in an identified airport noise influence area, the Property may still be subject to noise and air disturbances resulting from airplanes and other aircraft, commercial or military or both, flying overhead. Other common sources of noise include nearby commercial districts, schools, traffic on streets, highways and freeways, trains and general neighborhood noise from people, dogs and other animals. Noise levels and types of noise that bother one person may be acceptable to others. Buyer is advised to satisfy him/herself with regard to any sources of and amounts of noise at different times of day and night. Brokers do not have expertise in this area.
4. **SCHOOLS:** Buyer and Seller are advised that children living in the Property may not, for numerous reasons, be permitted to attend the school nearest the Property. Various factors including, but not limited to, open enrollment policies, busing, overcrowding and class size reductions may affect which public school serves the Property. School district boundaries are subject to change. Buyer is advised to verify whether the Property is now, and at the Close of Escrow will be, in the school district Buyer understands it to be in and whether residing in the Property entitles a person to attend any specific school in which that Buyer is interested. Broker(s) recommend that Buyer contact the local school or school district for additional information during Buyer's inspection contingency period. Brokers do not have expertise in this area.
5. **UNDERGROUND PIPELINES AND UTILITIES:** Throughout California underground pipelines transport natural gas, liquid fuel and other potentially hazardous materials. These pipelines may or may not provide utility services to the Property. Information about the location of some of the pipelines may be available from a company that also provides disclosures of natural and other hazards or from other sources of public maps or records. Proximity to underground pipelines, in and of itself, does not affirmatively establish the risk or safety of the property. If Buyer wants further information about these underground pipelines and utilities, Buyer is advised to consult with appropriate experts during Buyer's inspection contingency period. Brokers do not have expertise in this area.
6. **WILDLIFE:** California is the home to many species of wildlife. The location of homes in California continues to expand into areas that are the natural habitat of wildlife and the Property may be in such an area. Wildlife may become a nuisance especially if the availability of their natural sources of food or water is limited. Buyer should investigate the need to implement mitigation measures at the Property including but not limited to the use of animal-resistant garbage containers, and other appropriate measures depending on the species and habitat involved. Brokers do not have expertise in this area.
7. **SEA LEVEL RISE/COASTAL PROPERTIES:** Sea level rise has the potential to affect coastal residents, recreation, and development. Coastal communities may or may not have addressed the potential impact. The following is a non-exclusive list of issues that may be impacted by sea level rise: **(i)** Shoreline, beach and bluff erosion; and sand replacement requirements; **(ii)** The effectiveness of seawalls and bulkheads, whether built with or without permits; **(iii)** Seaward construction, development or improvement to existing structures; **(iv)** The enactment of geological hazard abatement districts and assessments; and **(v)** The determination of the "mean high tide line" which is used to figure out the property's boundary. Buyer is advised to consult with appropriate professionals, including having a geological inspection, to identify the effect of the listed conditions, if any, on the property. Brokers do not have expertise in this area.

   Below is a non-exhaustive list of potential resources provided as a starting point for Buyer investigations into sea level rise, and not as an endorsement or guarantee that any federal, state, county, city or other resource will provide complete advice.
   - **A.** California Coastal Commission contact information: https://www.coastal.ca.gov/contact/#/
   - **B.** State Lands Commission contact information: https://www.slc.ca.gov/contact-us/
   - **C.** National Oceanic and Atmospheric Administration (sea level rise page): https://search.usa.gov/search?affiliate=csc_search_all&query=sea=level=rise&submit=submit
   - **D.** California Coastal Commission (sea level rise page): https://www.coastal.ca.gov/climate/slr/
   - **E.** Coastal Adaptation Planning Guidance: Residential Development (draft); California Coastal Commission: https://www.coastal.ca.gov/climate/slr/vulnerability-adaptation/residential/

D. Legal Requirements (Federal, State and Local)

1. **DEATH ON THE PROPERTY:** California Civil Code § 1710.2 protects a seller from: **(i)** failing to disclose a death on the property that occurred more than 3 years before a buyer has made an offer on a property; and **(ii)** failing to disclose if an occupant of a property was afflicted with HIV/AIDS, regardless of whether a death occurred or if so, when § 1710.2 does not protect a seller from making a misrepresentation in response to a direct inquiry. If the Buyer has any concerns about whether a death occurred on the Property or the manner, location, details or timing of a death, the buyer should direct any specific questions to the Seller in writing. Brokers do not have expertise in this area.
2. **EARTHQUAKE FAULT ZONES AND SEISMIC HAZARD ZONES:** Buyer and Seller are advised that California Public Resources Code §§ 2622 and 2696 require the delineation and mapping of "Earthquake Fault Zones" along known active faults and "Seismic Hazard Zones" in California. Affected cities and counties must regulate certain development projects within these zones. Construction or development on affected properties may be subject to the findings of a geological report prepared by a registered California geologist. Generally, Seller must disclose if the Property is in such a zone and can use a research company to aid in the process. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer make independent inquiries with such research companies or with appropriate government agencies concerning the use and improvement of the Property. Buyer is advised that there is a potential for earthquakes and seismic hazards even outside designated zones. Brokers do not have expertise in this area.
3. **EPA's LEAD-BASED PAINT RENOVATION, REPAIR AND PAINTING RULE:** The new rule requires that contractors and maintenance professionals working in pre-1978 housing, child care facilities, and schools with lead-based paint be certified; that their employees be trained; and that they follow protective work practice standards. The rule applies to renovation, repair, or painting activities affecting more than six square feet of lead-based paint in a room or more than 20 square feet of lead-based paint on the exterior. Enforcement of the rule begins October 1, 2010. See the EPA website at http://www.epa.gov/lead for more information. Buyer and Seller are advised to consult an appropriate professional. Brokers do not have expertise in this area.
4. **FIRE HAZARDS:** Buyer and Seller are advised that fires annually cause the destruction of thousands of homes. Due to varied climate and topography, certain areas have higher risks of fires than others. Certain types of materials used in home construction create a greater risk of fire than others. If the Property is located within a State Fire Responsibility Area or a Very High Fire Hazard Zone, generally Seller must disclose that fact to Buyer under California Public Resources Code § 4136 and California Government Code §§ 51178 and 51183.5, and may use a research company to aid in the process. Owners of property may be assessed a fire prevention fee on each structure on each parcel in such zones. The fee may be adjusted annually commencing July 1, 2013. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer contact the local fire department and Buyer's insurance agent regarding the risk of fire. Buyer is advised that there is a potential for fires even outside designated zones. Brokers do not have expertise in this area.
5. **FIRPTA/CALIFORNIA WITHHOLDING:** Buyer and Seller are advised that: **(i)** Internal Revenue Code § 1445, as of February 17, 2016, requires a Buyer to withhold and to remit to the Internal Revenue Service 15% of the purchase price of the property if the Seller is a non-resident alien, unless an express exemption applies. Only 10% needs to be withheld if the Buyer acquires the property as Buyer's residence and the price does not exceed $1,000,000. Seller may avoid withholding by providing Buyer a statement of non-foreign status. The statement must be signed by Seller under penalty of perjury and must include Seller's tax identification number. Buyer can also avoid having to withhold Federal taxes from Seller's Proceeds if the property price is $300,000 or less, and the Buyer signs an affidavit stating Buyer intends to occupy the property as a principal residence. **(ii)** California Revenue and Taxation Code § 18662 requires that a Buyer withhold and remit to the California Franchise Tax Board 3 1/3% of the purchase price of the property unless the Seller signs an affidavit that the property was the Seller's (or the decedent's, if a trust or probate sale) principal residence or that the sales price is $100,000 or less or another express exemption applies. Exemptions from withholding also apply to legal entities such as corporations, LLCs, and partnerships. Brokers cannot give tax or legal advice. Broker recommends that Buyer and Seller seek advice from a CPA, attorney or taxing authority. Brokers do not have expertise in this area.
6. **FLOOD HAZARDS:** Buyer and Seller are advised that if the Property is located within a Special Flood Hazard Area, as designated by the Federal Emergency Management Agency (FEMA), or an area of Potential Flooding pursuant to California Government Code § 8589.3, generally Seller must disclose this fact to Buyer and may use a research company to aid in the process. The National Flood Insurance Program was established to identify all flood plain areas and establish flood-risk zones within those areas. The program mandates flood insurance for properties within high-risk zones if loans are obtained from a federally-regulated financial institution or are insured by any agency of the United States Government. The extent of coverage and costs may vary. If Buyer wants further information, Broker(s) recommend that Buyer consult his or her lender and/or insurance agent during Buyer's inspection contingency period. Buyer is advised that there is a potential for flooding even outside designated zones. Brokers do not have expertise in this area.
7. **MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to § 290.46 of the Penal Code, information about specific registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at http://www.meganslaw.ca.gov/. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers, in any, are required to check this website. If Buyer wants further information, Buyer should obtain information directly from this website.) Brokers do not have expertise in this area.

Exhibit 1

8. **NOTICE OF YOUR SUPPLEMENTAL PROPERTY TAX BILL; ACCURATE SALES PRICE REPORTING:** Buyer and Seller are advised that pursuant to Civil Code § 1102.6(c), Seller, or his or her agent, is required to provide the following notice to the Buyer:

   "California property tax law requires the Assessor to revalue real property at the time the ownership of property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes.

   The supplemental tax bills are not mailed to your lender. Even if you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector. If you have any questions concerning this matter, please call your Tax Collector's Office."

   Although the notice refers to loan closing as a trigger, it is actually the change of ownership which triggers this reassessment of property taxes. Therefore, the Property can be reassessed even if there is no loan involved in the purchase of the Property. The Purchase Agreement may allocate supplemental tax bills received after the Close of Escrow to the Buyer. A change (preliminary change) of ownership form is generally required to be filed by the Buyer with the local taxing agency. The form identifies the sales price of the Property. An assessor may value the Property at its fair market value regardless of the sales price declared by the Buyer. If Buyer wants further information concerning these matters, Broker(s) recommend that Buyer discuss the issue with the County Assessor or Tax Collector or their own tax or legal advisor. Brokers do not have expertise in this area.

9. **ZONE MAPS MAY CHANGE:** Maps that designate, among other things, Earthquake Fault Zones, Seismic Hazard Zones, State Fire Responsibility Areas, Very High Fire Hazard Zones, Special Flood Hazard Areas, and Potential Flooding Areas are occasionally redrawn by the applicable Government Agency. Properties that are currently designated in a specified zone or area could be removed and properties that are not now designated in a specified zone or area could be placed in one or more such zones or areas in the future. A property owner may dispute a FEMA flood hazard location by submitting an application to FEMA. Brokers do not have expertise in this area.

E. Contract Related Issues and Terms

1. **ARBITRATION:** Buyer and Seller are advised that arbitration is a process by which the disputing parties hire a neutral person to render a binding decision. Generally, arbitration is faster and less expensive than resolving disputes by litigating in court. The rules are usually less formal than in court, and it is a private process not a matter of public record. By agreeing to arbitration, the parties give up the right to a jury trial and to appeal the arbitrator's decision. Arbitration decisions have been upheld even when arbitrators have made a mistake as to the law or the facts. If the parties agree to arbitration, then after first attempting to settle the dispute through mediation, any dispute arising out of their agreement (with a few limited exceptions) must be submitted to binding arbitration. Buyer and Seller must weigh the benefits of a potentially quicker and less expensive arbitration against giving up the right to a jury trial and the right to appeal. Brokers cannot give legal advice regarding these matters. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to arbitration. Brokers do not have expertise in this area.

2. **ELECTRONIC SIGNATURES:** The ability to use electronic signatures to sign legal documents is a great convenience, facilitating the ability to send and receive documents and reach agreement in a real estate transaction. However, Buyers and Sellers are cautioned to carefully read each provision. Arrows indicating "sign here" are merely there for the convenience of finding the next signature line. Only sign if you have taken the time necessary to read each document thoroughly, have full knowledge, and consent to the terms provided in the document. Brokers strongly advise Buyers and Sellers to read the entire document before signing even if they have reviewed an earlier draft. Do not just scroll through or skip to the next signature line. You are signing a legally binding agreement. Read it carefully. Ask your Broker, Agent or legal advisor if you have questions or do not understand a provision, and sign only if you agree to be bound by the terms. Brokers do not have expertise in this area.

3. **ESCROW FUNDS:** Buyer and Seller are advised that California Insurance Code § 12413.1 provides that escrow companies cannot disburse funds unless there are sufficient "good funds" to cover the disbursement. "Good funds" are defined as cash, wire transfers and cashiers' or certified checks drawn on California depositories. Escrow companies vary in their own definitions of "good funds." Broker(s) recommend that Buyer and Seller ask the escrow company regarding its treatment of "good funds." All samples and out-of-state checks are subject to waiting periods and do not constitute "good funds" until the money is physically transferred to and received by the escrow holder. Brokers do not have expertise in this area.

4. **HOME WARRANTY:** Buyer and Seller are advised that Buyer and Seller can purchase home warranty plans covering certain standard systems of the Property both before and after Close of Escrow. Seller can obtain coverage for the Property during the listing period. For an additional premium, an upgraded policy providing additional coverage for air conditioning, pool and spa and other features can be purchased. Home warranties do not cover every aspect of the Property and may not cover inspections or upgrades for repairs required by state or federal laws or pre-existing conditions. Broker(s) recommend that Buyer review the policy for details. Brokers do not have expertise in this area.

5. **IDENTIFICATION OF NATURAL PERSONS BEHIND SHELL COMPANIES IN ALL-CASH TRANSACTIONS:** The U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) has issued Geographic Targeting Orders (GTOs) targeting alleged money laundering risk in the real estate sector. The GTOs will temporarily require

U.S. title insurance companies to identify the natural persons behind shell companies used to pay "all cash" for high- end residential real estate in certain major metropolitan areas. FinCEN explained that it remains concerned that all- cash purchases (i.e., those without bank financing) may be conducted by individuals attempting to hide their assets and identity by purchasing residential properties through limited liability companies or other similar structures. Since the original issuance, the GTOs have been renewed and may continue to be renewed. The GTOs cover the following areas in California: Los Angeles, San Francisco, San Mateo, Santa Clara and San Diego Counties. The monetary thresholds for each county is $300,000. GTOs have helped law enforcement identify possible illicit activity. FinCEN reported that a significant portion of covered transactions have dictated possible criminal activity associated with the individuals reported to be the beneficial owners behind shell company purchasers. Brokers do not have expertise in this area.

6. **LIQUIDATED DAMAGES:** Buyer and Seller are advised that a liquidated damages clause is a provision Buyer and Seller can use to agree in advance to the amount of damages that a seller will receive if a buyer breaches the Agreement. The clause usually provides that a seller will retain a buyer's initial deposit paid if a buyer breaches the agreement, and generally must be separately initialed by both parties and meet other statutory requirements to be enforceable. For any additional deposits to be covered by the liquidated damages clause, there generally must be another separately signed or initialed agreement (see C.A.R. Form RID). However, if the Property contains from 1 to 4 units, one of which a buyer intends to occupy, California Civil Code § 1675 limits the amount of the deposit subject to liquidated damages to 3% of the purchase price. Even though both parties have agreed to a liquidated damages clause, an escrow company will usually require either a judge's or arbitrator's decision or instructions signed by both parties in order to release a buyer's deposit to a seller. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to a liquidated damages clause. Brokers do not have expertise in this area.
7. **MEDIATION:** Buyer and Seller are advised that mediation is a process by which the parties hire a neutral person to facilitate discussion and negotiation between the parties with the goal of helping them reach a settlement of their dispute. The parties generally share in the cost of this confidential, non-binding negotiation. If no agreement is reached, either party can pursue further legal action. Under C.A.R. Form RPA-CA: **(i)** the parties must mediate any dispute arising out of their agreement (with a few limited exceptions, such as matters within the jurisdiction of a small claims court) before they resort to arbitration or court, and **(ii)** if a party proceeds to arbitration or court without having first attempted to mediate the dispute, that party risks losing the right to recover attorney fees and costs even if he or she prevails. Brokers do not have expertise in this area.
8. **NON CONFIDENTIALITY OF OFFERS:** Buyer is advised that Seller or Listing Agent may disclose the existence, terms, or conditions of Buyer's offer, unless all parties and their agent have signed a written confidentiality agreement (such as C.A.R. Form CND). Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the Listing Agent's marketing strategy and the instructions of the Seller. Brokers do not have expertise in this area.
9. **ONLINE OR WIRE FUNDS TRANSFERS:** Instructions for the online or wire transfer of escrow deposits have been known to be intercepted by hackers who alter them so that Buyer's funds are actually wired to accounts controlled by criminals rather than the escrow company. Buyers should exercise extreme caution in making electronic funds transfers, verifying that the organization they are transferring funds to is, in fact, the escrow company and that their own bank account information is not being exposed. See C.A.R. Form WFA for further information. Brokers do not have expertise in this area.

F. Other Factors Affecting Property

1. **COMMUNITY ENHANCEMENT AND PRIVATE TRANSFER FEES:** Buyer and Seller are advised that some areas or communities may have enhancement fees or user-type fees, or private transfer taxes and fees, over and above any stated fees. The Federal Housing Finance Agency has issued a rule that prohibits Fannie Mae and Freddie Mac from purchasing loans made on properties with private transfer fees if those fees were established on or after February 8, 2011. See title 12 Code of Federal Regulations § 1228 for more information and exceptions. Private transfer fees: **(i)** may last for a fixed period of time or in perpetuity, **(ii)** are typically calculated as a percentage of the sales price, and **(iii)** may have private parties, charitable organizations or interest-based groups as their recipients who may use the funds for social issues unrelated to the property. Brokers do not have expertise in this area.
2. **GENERAL RECALL/DEFECTIVE PRODUCT/CLASS ACTION INFORMATION:** Buyer and Seller are advised that government entities and manufacturers may at any time issue recall notices and/or warnings about products that may be present in the Property, and that these notices or warnings can change. The following nonexclusive, non-exhaustive list contains examples of recalled/defective products/class action information: horizontal furnaces, Whirlpool Microwave Hood Combination; RE-ConBuilding products roof tiles; Central Sprinkler Company Fire Sprinklers; Robert Shaw Water Heater Gas Control Valves; Trex Decking; water heaters; aluminum wiring; galvanized, abs, polybutylene PEX, KITEC® and copper pipe; and dry wall manufactured in China. There is no single, all-inclusive source of information on product recalls, defective products or class actions; however, the U.S. Consumer Product Safety Commission (CPSC) maintains a website that contains useful information. If Buyer wants further information regarding the items listed above, Broker(s) recommend that Buyer review the CPSC website at http://www.cpsc.gov/ during Buyer's inspection contingency period. Another source affiliated with the CPSC is http://saferproducts.gov/ which allows a Buyer to search by product type or product name. Buyer may also search using the various search engines on the Internet for the specified product or products in question. Brokers recommend that Buyer satisfy themselves regarding recalled or defective products. Brokers will not determine if any aspect of the Property is subject to a recall or is affected by a class action lawsuit. Brokers do not have expertise in this area.

Exhibit 1

3. **HOMEOWNER ASSOCIATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS ("CC&Rs"); CHARGING STATIONS; FHA/VA APPROVAL:** Buyer and Seller are advised that if the Property is a condominium, or located in a planned unit development, or in a common interest subdivision, there are typically restrictions on use of the Property and rules that must be followed. Restrictions and rules are commonly found in Declarations and other governing documents. Further there is likely to be a homeowner association (HOA) that has the authority to affect the Property and its use. Whether or not there is a HOA, the Property may still be subject to CC&Rs restricting use of the Property. The HOA typically has the authority to enforce the rules of the association, assess monetary payments (both regular monthly dues and special assessments) to provide for the upkeep and maintenance of the common areas, and enforce the rules and assessment obligations. If you fail to abide by the rules or pay monies owed to the HOA, the HOA may put a lien against your Property. Additionally, if an electric vehicle charging station is installed in a common area or an exclusive use common area, each Seller whose parking space is on or near that charging station must disclose its existence and that the Buyer will have the responsibilities set forth in California Civil Code § 4745. The law requires the Seller to provide the Buyer with the CC&Rs and other governing documents, as well as a copy of the HOA's current financial statement and operating budget, among other documents. Effective July 1, 2016, a Common Interest Development (CID) will be required to include in its annual budget report a separate statement describing the status of the CID as a Federal Housing Administration or Department of Veterans Affairs approved Development. While the purchase agreement and the law require that the annual budget be provided by Seller to Buyer, Brokers will not and cannot verify the accuracy of information provided by the CID. Buyer is advised to carefully review all HOA documents provided by Seller and the CC&Rs, if any, and satisfy him/herself regarding the use and restrictions of the Property, the amount of monthly dues and/or assessments, the adequacy of reserves, current and past insurance coverage and claims, and the possibility of any legal action that may be taken by or against the HOA. The HOA may not have insurance or may not cover personal property belonging to the owner of the unit in the condominium, common interest or planned unit development. For more information Buyer may request from Broker the C.A.R. Legal Q&A titled: "Homeowners' Associations: A Guide for REALTORS®". Brokers do not have expertise in this area.

4. **LEGAL ACTION:** Buyer and Seller are advised that if Seller or a previous owner was involved in a legal action (litigation or arbitration) affecting the Property, Buyer should obtain and review public and other available records regarding the legal action to determine: **(i)** whether the legal action or any resolution of it affects Buyer and the Property, **(ii)** if any rights against any parties involved in the legal action survive the legal action or have been terminated or waived as a result of the legal action, whether or not involving the same issue as in the legal action, and **(iii)** if any recommendations or requirements resulting from the legal action have been fulfilled and, if so, that Buyer is satisfied with any such action. Buyer should seek legal advice regarding these matters. Brokers do not have expertise in this area.

5. **MARKETING; INTERNET ADVERTISING; INTERNET BLOGS; SOCIAL MEDIA:** Buyer and Seller are advised that Broker may employ a "staging" company to assist in the presentation of the Property. The furnishings and decorations in the staging are generally not included in the sale unless specifically noted in the Agreement. Statements and inclusion in the MLS entry, flyers, and other marketing materials are NOT part of the Agreement. In addition, Broker may employ a service to provide a "virtual tour" or "virtual staging" or Internet marketing of the Property, permitting potential buyers to view the Property over the Internet. While they are supposed to be an accurate representation of the property, the photos may be enhanced and not fully representative of the actual condition of the property. Further, neither the service provider nor Broker have total control over who will obtain access to materials placed on the internet or what action such persons might take. Additionally, some Internet sites and other social media provide formats for comments or opinions of value of properties that are for sale. Information on the Property, or its owner, neighborhood, or any homeowner association having governance over the Property may be found on the internet on individual or commercial web sites, blogs, Facebook pages, or other social media. Any such information may be accurate, speculative, truthful or lies, and it may or may not reflect the opinions or representations by the Broker. Broker will not investigate any such sites, blogs, social media or other internet sites or the representations contained therein. Buyer is advised to make an independent search of electronic media and online sources prior to removing any investigation contingency. Buyer and Seller are advised that Broker has no control over how long the information or photos concerning the Property will be available on the Internet or through social media, and Broker will not be responsible for removing any such content from the internet or MLS. Brokers do not have expertise in this area.

6. **PACE LOANS AND LIENS:** The acronym PACE stands for Property Assessed Clean Energy. PACE programs allow property owners to finance energy and water conservation improvements and pay for them through an assessment on the owner's property. PACE programs are available in most areas for both residential one to four unit properties and commercial properties. PACE programs may be referred to by different names such as HERO or SCEIP, among others. If a PACE project is approved, an assessment lien is placed on a property for the amount owed plus interest. A property owner repays the entity for the improvements as a special tax assessment on the property tax bill over a period of years. A PACE lien is similar to a property tax lien in that it has "super priority." Sellers are obligated to disclose, pursuant to the C.A.R. Residential Purchase Agreement (C.A.R. Form RPA), whether any improvement is subject to a lien such as a PACE lien. Properties that are subject to PACE liens made on or after July 6, 2010 may not be eligible for financing. For more information, Buyer may request from Broker the C.A.R. Legal Q&A titled: "PACE Programs and Solar Leases". Brokers do not have expertise in this area.

Exhibit 1

7. **RE-KEYING:** All locks should be re-keyed immediately upon close of escrow so as to ensure the Buyer's safety and security of their persons as well as their personal belongings. Alarms, if any, should be serviced by professionals and codes should be changed. Garage door openers and remotes should be re-coded. In the event of a lease back to Seller after the close of escrow, Seller is advised that the Buyer is entitled to the keys as the Owner of the Property even though the Seller stays in possession of the Property as provided in the RPA.
8. **SOLAR PANEL LEASES:** Solar panel or power systems may be owned or leased. Although leased systems are probably personal property, they are included in the sale by the C.A.R. purchase agreement which also obligates the Seller to make a disclosure to the Buyer and provide the Buyer with documentation concerning the lease and system. Leasing companies generally secure payments by filing a UCC-1 (a Uniform Commercial Code form giving notice of a creditor's security interest) against the property. Buyers are given a contingency right to investigate the solar related system and documentation and assume any lease. Assumption of the lease may require Buyer to provide financial information to the leasing company who may require a credit report be obtained on the Buyer. Should a solar panel or power system be on the Property, Buyers should determine if the system is leased or owned. Buyers willingness to assume any such lease is a contingency in favor of Seller. For more information, Buyer may request from Broker the C.A.R. Legal Q&A titled: "PACE Programs and Solar Leases". Brokers do not have expertise in this area.
9. **RECORDING DEVICES:** Audio or video recording devices or both may be present on the Property, whether or not notice of any such devices has been posted. Seller may or may not even be aware of the capability of such devices.

G. Local Disclosures and Advisories

1. **LOCAL ADVISORIES OR DISCLOSURES (IF CHECKED):**
   The following disclosures or advisories are attached:
   - **A.** ☐ _____
   - **B.** ☐ _____
   - **C.** ☐ _____
   - **D.** ☐ _____

Buyer and Seller are encouraged to read all 14 pages of this Advisory carefully. By signing below, Buyer and Seller acknowledge that each has read, understands and received a copy of all 14 pages of this Advisory.

BUYER DocuSigned by: Ron mayer E6263FF8823B4D9... *Ron Mayer - Mayer Capital, or assignee* Date 4/4/2022

BUYER _____ Date _____

SELLER DocuSigned by: Chris Wong F8A8CAE5EE784A6... *Chik Pui Wong* Date 4/6/2022

SELLER DocuSigned by: Jimmy Wong 04FC64C3075B448... DocuSigned by: ly Wong FC64C3075B448... *Yim Pooi Wong and Lai Hung Wong* Date 4/6/2022

Real Estate Broker (Selling Firm) *CBRE* DRE Lic. # *00409987*

Address *1840 Century Park East, 9th Floor* City *Los Angeles* State *CA* Zip *90067*

By *Dean Zander, Chris Tresp,* Tel. _____ E-mail _____ DRE Lic.# *01846401* Date _____

By *Priscilla Nee, Stew Weston* Tel. _____ E-mail _____ DRE Lic.# _____ Date _____

☐ Two Brokers with different companies are co-listing the Property. Co-listing Broker information is on the attached Additional Broker Acknowledgement (C.A.R. Form ABA)

Real Estate Broker (Buyer's Firm) *CBRE* DRE Lic. # *00409987*

Address *1840 Century Park East, 9th Floor* City *Los Angeles* State *CA* Zip *90067*

By *Dean Zander, Chris Tresp,* Tel. *(310)550-2599* E-mail *dean.zander@cbre.com* DRE Lic.# *01846401* Date _____

By *Priscilla Nee, Stew Weston* Tel. _____ E-mail _____ DRE Lic.# _____ Date _____

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EQUAL HOUSING OPPORTUNITY

Exhibit 1

ADDENDUM TO COMMERCIAL PURCHASE AGREEMENT

In reference to that certain Commercial Purchase Agreement dated April 4, 2022("Agreement") concerning real property located in Los Angeles County at 8335 Willis Ave., Panorama City, CA 91402 ("Property") (Mayer Capital Partners) ("Buyer") and Chik Pui Wong, Yim Pooi Wong, trustee of the Yim Pooi Wong Revocable Trust Dated 8/1/1998 amended 10/31/2014, and Lai Hung Wong, trustee of the Lai Hung Wong Revocable Trust Dated 8/1/1998 amended 10/31/2014 (collectively "Sellers") hereby agree to this Addendum as follows:

RECITALS

A. Co-owners of record of the Property include Yim Pooi Wong and Lai Hung Wong ("Debtors"). The Debtors filed a petition under Chapter 11 of the Bankruptcy Code on September 27, 2021 ("Petition Date"), which case is pending before the United States Bankruptcy Court for the Central District of California, Los Angeles Division, Case No. 2:21-bk-17515-VZ ("Bankruptcy Case"). As a result of the Bankruptcy Case, the Debtors' interest in the Property is an asset of the Debtors' bankruptcy estate ("Estate").

NOW THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

CONDITIONS OF SALE

1. Bankruptcy Court Approval. The sale of the Property is expressly conditioned on approval of the United States Bankruptcy Court for the Central District of California, Los Angeles Division and entry of a final order in the Bankruptcy Case approving the Agreement and this Addendum.

2. No Assignment. The Agreement is between the Buyer and the Sellers. The Buyer shall have no right to assign the Escrow, the Agreement, or transfer the Property concurrent with closing without consent of the Sellers.

3. Title Insurance. The Property shall be delivered to the Buyer free and clear of all liens and encumbrances; provide however, the title insurance policy shall be subject only to liens, encumbrances, clouds and other matters as may appear on the preliminary title report, that are not to be removed at the close of Escrow, and have not been objected to by the Buyer. Should Sellers be unwilling or unable to eliminate those title matters disapproved by the Buyer, the Sellers may terminate the Agreement or; should Sellers fail to deliver good and marketable title as provided above, Sellers and the Buyer may terminate the Agreement. In either case, the Buyer's deposit shall be returned to the Buyer, and the Buyer shall have no recourse against Sellers, the Debtors, or the Sellers or the Debtors' counsel, Cracolice & Associates, Havkin & Shrago, and Shulman Bastian Friedman & Bui LLP, the Debtors' bankruptcy estate ("Estate"), or any real estate agent, broker or attorney involved in the transaction.

4. Unknown Contingencies. The Buyer understands that if the Sellers are unable to complete escrow

Exhibit 1

because of unknown defects in the title, or because the liens and encumbrances exceed the amounts known to the Sellers, or by being divested of title by the Bankruptcy Court, or because the income tax consequences of the sale are excessive, the Buyer's sole damages will be limited to the refund of his deposit less escrow charges.

5. Purchase "As-Is", "Where-Is" Condition; No Warranties. Buyer acknowledges that the Property for which the Bid is submitted is being sold on an "as-is," "where-is" basis without warranties of any kind, expressed or implied, being given by the Debtors or the co-owners of the Property, or by any person or entity acting on their behalf, concerning the condition of the Property or the quality of the title thereto, or any other matters relating to such property. The Buyer represents and warrants that the Buyer is purchasing the Property as a result of Buyer 's investigations and is not buying the Property pursuant to any representation made by the Debtors, or the co-owners of the Property, or by any person or entity acting on their behalf. The Buyer acknowledges that he/she/it has inspected the Property and upon closing of escrow, the Buyer forever waives, for himself/herself/itself, their heirs, successors and assigns, all claims against the Debtors, Debtors' Estate and the co-owners of the Property, and any person or entity acting on their behalf, including, without limitation, their agents, independent contractors, employees, and attorneys, arising or which might otherwise arise in the future, concerning the Property.

6. Sellers' Liability. No personal liability shall be sought or enforced against the Sellers with regard to the Agreement, including the Addendum, the Property, the sale of the Property, or the physical condition of the Property. In the event that the Sellers fail or refuse to complete the transaction for any reason, then the limit of the Sellers' liability is only to return any money paid to the Seller by the Buyer, without deduction.

7. Bankruptcy Court Jurisdiction. Prior to and after the closing of escrow on the sale transaction for the Property, the United States Bankruptcy Court, Los Angeles Division, shall have and retain the sole and exclusive jurisdiction over the Property, the Agreement and this Addendum; and any and all disputes relating in any manner to the Property, the Agreement and/or the Addendum arising before and after closing shall be resolved in said Court. Further, the Buyer and the Sellers have agreed that if a dispute arises, such dispute may initially be resolved through the Mediation Program pending in the United States Bankruptcy Court for the Central District of California.

8. Hold Harmless:

(a) The Buyer understands the terms and conditions of the entire purchase contact and holds the Estate and the realtors, brokers, agents, the Sellers, the Debtors, and their attorneys, Cracolice & Associates, Havkin & Shrago, and Shulman Bastian Friedman & Bui LLP, brokers, agents and employees, harmless from any liabilities arising from the Agreement and this Addendum.

(b) All parties hereto further agree, jointly and severally, to pay on demand as well as to indemnify and hold Escrow harmless from and against all costs, damages, judgments, attorneys' fees, expenses, obligations and liabilities of any kind or nature which in good faith, Escrow may incur or sustain in connection with or arising out of this Escrow and Escrow is hereby given a lien upon all the

rights, titles and interest of each of the undersigned in all escrow papers and other property and monies deposited in this escrow, to protect the rights of escrow and to indemnify and reimburse Escrow under the Agreement and the Addendum. In the event this Escrow is not completed for any reason, Escrow is authorized to deduct and pay its fee, plus costs incurred from any funds on deposit.

9. Sale Subject to Overbidding. The sale of the Property is subject to the Bidding Procedures described in the attached **Exhibit 1**.

SO AGREED.

I, the Buyer herein, have reviewed the foregoing Agreement and understand the terms and conditions set forth herein, and further agree to purchase the Property pursuant to said terms and conditions.

Dated: 4/4/2022

DocuSigned by:
Ron mayer
E6263FF8823B4D9...
(Mayer Capital Partners)
By: Ron mayer

We, the Sellers, agree to sell the Property pursuant to the terms and conditions set forth herein.

DEBTORS:

Dated: 4/6/2022

DocuSigned by:
Jimmy Wong
04FC64C3075B448...
YIM POOI WONG aka JIMMY WONG

Dated: 4/6/2022

DocuSigned by:
Polly Wong
04FC64C3075B448...
LAI HUNG WONG aka POLLY WONG

CHRIS WONG:

Dated: 4/6/2022

DocuSigned by:
Chris Wong
F8A8CAE5EE784A6...
CHIK PUI WONG ("CHRIS WONG")

Exhibit 1

Exhibit 1
Bidding Procedures

As provided for in that certain *Order Granting Debtors' Motion for Order (1) Approving Procedures in Connection With the Sale of Certain Jointly Owned Real Properties Pursuant to Stipulation of the Co-Owners (2) Scheduling a Hearing on a Separate Motion to Approve the Sale of Real Property; and (3) Granting Related Relief Pursuant to LBR 6004-1(b)* ("Procedures Order") entered by the Bankruptcy Court on March 3, 2022 [docket number 244] in the case of *In re Yim Pooi Wong and Lai Hung Wong*, Case No. 2:21-bk-17515-VZ, to be eligible to participate in the Auction, each offer, solicitation, or proposal (each, a "Bid"), and each individual or entity submitting such a Bid (each, a "Bidder"), must satisfy each of the following conditions; if all conditions are satisfied, the Bid will be a "Qualified Bid" and the Bidder will be a "Qualified Bidder":[1]

1. The Seven Properties Shall Be Sold Separately

The Seven Properties shall be sold separately. In the event that a prospective buyer seeks to purchase all Seven Properties through a package offer, such an offer must provide a breakdown of the amount of each offer for each separate property.

2. Selection of Stalking Horse Bid

By no later than March 23, 2022, the Debtors and the co-owners of the Property will attempt to agree on which is the highest and best offer for the Property to be used as the stalking horse bid ("Stalking Horse Bid"). If the parties cannot agree on which offer should be the Stalking Horse Bid, the offers and the disputed issues shall be submitted to the Bankruptcy Court for its determination as to the Stalking Horse Bid by no later than March 31, 2022, with a hearing to take place within seven (7) days after the matter is submitted to the Court, or the earliest date thereafter set by the Court. The parties agree that any such review by the Court is to seek a determination of the best offer for each property Seven Properties separately, and that, notwithstanding such review, the Seven Properties will be sold separately and not on a packaged or consolidated basis.

3. Requirements of a Qualified Bid

To be eligible to participate in the Auction, each offer, solicitation, or proposal (each, a "Bid"), and each individual or entity submitting such a Bid (each, a "Bidder"), must satisfy each of the following conditions; if all conditions are satisfied, the Bid will be a "Qualified Bid" and the Bidder will be a "Qualified Bidder":

1. Form. The Bid must: (a) be in writing; (b) disclose the identity of the individual or entity that will be bidding; and (c) be in the form of a duly authorized, executed, and non-contingent purchase agreement, together with all schedules, exhibits, and related documents thereto.

2. Good Faith Deposit. The Bid must be accompanied by a cash deposit in an amount equal to three percent (3%) of the Bid.

[1] Unless otherwise noted, capitalized terms have the meaning as described in the Stipulation Regarding Marketing and Sale of Jointly Owned Properties approved under the Procedures Order.

3. Same or Better Terms. The Bid must be on terms and conditions that are substantially the same or better than, not more burdensome in any material way than, and no more conditional than the terms of the Stalking Horse Bid for that particular property. The Bid may not contain additional termination rights, covenants, financing or due diligence contingencies, or closing conditions, other than as may be included in the Stalking Horse Bid for that particular property.

4. "As-Is", "Where-Is" Condition; No Warranties. The Bid must acknowledge that the Property for which the Bid is submitted is being sold on an "as-is," "where-is" basis without warranties of any kind, expressed or implied, being given by the Debtors or the co-owners of the Property, or by any person or entity acting on their behalf, concerning the condition of the property or the quality of the title thereto, or any other matters relating to such Property. The Bidder must represent and warrant that the Bidder is purchasing the property as a result of Bidder's investigations and is not buying the Property pursuant to any representation made by the Debtors, or the co-owners of the Property, or by any person or entity acting on their behalf. The Bidder must acknowledge that he/she/it has inspected the Property and upon closing of escrow, the Bidder forever waives, for himself/herself/itself, their heirs, successors and assigns, all claims against the Debtors, Debtors' Estate and the co-owners of the Property, and any person or entity acting on their behalf, including, without limitation, their agents, independent contractors, employees, and attorneys, arising or which might otherwise arise in the future, concerning the Property.

5. Corporate Authority. If the party bidding is an entity, the Bid must include written evidence that the Bidder has full power and authority (including full corporate or other organizational power and authority) to consummate the proposed transaction contemplated by the Bid.

6. Proof of Financial Ability to Perform. The Bid must provide evidence of having sufficient specifically committed funds to complete the transaction and such other documentation relevant to the Bidder's ability to qualify as the purchaser and ability to close the sale and immediately and unconditionally pay the winning bid purchase price at the close of escrow. To the extent that the Bid is not accompanied by evidence of the Bidder's capacity to consummate the transaction contemplated by the Bid with unrestricted and fully available cash, the Bid must include written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction.

7. Irrevocable. Each Bid must expressly state that it is irrevocable until the auction described herein below is completed.

8. Bid Deadline. The Bid must be received by counsel for the Debtors and counsel for Chris Wong and Mary Wong by no later than 5:00 p.m. (California time) five (5) days after the Stalking Horse Bid for each property is determined, estimated to be due by April 8, 2022, unless the Debtors and the co-owners cannot agree on the Stalking Horse Bid and have to submit the dispute to the Court for its determination.

9. Amount of Bid. The Bid must bid an initial amount of at least $100,000.00 over the Stalking Horse Bid.

10. Affirmative Statement. Each Bid shall be accompanied by an affirmative statement that a) all Bidders submitting such Bid have and will continue to comply with the Bidding Procedures, and b) the

Bidder acknowledges that he/she/it has knowingly and voluntarily submitted to the exclusive jurisdiction of the United States Bankruptcy Court for the Central District of California with respect to all matters related to the terms and conditions of the sale of the Seven Properties.

11. Independent Buyer Declaration. Each Bid shall be accompanied by a declaration, signed under penalty of perjury by either the individual Bidder or an authorized representative of a non-individual Bidder with personal knowledge of the facts asserted, attesting to and providing the following:

- The full legal name or registered name of Bidder, inclusive of any dba, fka, trade name(s), or alias;

- If Bidder is a corporation, its state of incorporation, the address of its corporate headquarters, the names of its board members and the names of its shareholders;

- That Bidder does not have a relationship with the Debtors and does not intend to have a relationship with the Debtors after the sale, and that Bidder is not associated or affiliated with the Debtors in any manner, and that the Debtors will not be acquiring or retaining an interest of any kind in any of the Seven Properties that may be purchased by Bidder;

- That other than the purchase price for the property, there is no consideration contemplated to be transferred to the Debtors as part of the sale. The only consideration is the price being paid for the Property;

- That Bidder has not colluded with any other potential buyers for the purchase of the property in an attempt to take unfair advantage of the other prospective buyers;

- That Bidder has not colluded with the Debtors regarding the purchase of the property in anyway; and

- If prior to submitting an Independent Bidder Declaration, Bidder has ever had any contact, interaction(s), transaction(s), communication(s), personal dealing(s), business dealing(s), or the like with the Debtors, Bidder shall provide a detailed list of each occurrence, including, without limitation, the approximate date, time and nature of same.

4. Qualifying Bids and Bidders

Within five (5) days after receipt of the Bids, the Debtors, and the co-owners of the Property will attempt to agree on which Bids are Qualified Bids and which Bidders are Qualified Bidders. If the parties cannot agree on which Bids are Qualified Bids or which Bidders are Qualified Bidders, the disputed issues shall be submitted to the Bankruptcy Court for its determination as to the Qualified Bids and Qualified Bidders within ten (10) days after receipt of the Bids, with a hearing to take place within seven (7) days after the matter is submitted to the Court, or the earliest date thereafter set by the Court.

The time for the determination of the Qualified Bids and Qualified Bidder shall be extended as may be required in the event that Chris Wong and Mary Wong conduct discovery as provided for in the Stipulation Regarding Marketing and Sale of Jointly Owned Properties.

5. Auction for Qualified Bidders

If there is at least one Qualified Bid for a property, an auction shall be conducted for that property to determine the highest or otherwise best Qualified Bid. Only Qualified Bidders may participate in the Auction. Prior to the Auction, the Debtors shall provide copies of all Qualified Bids to all Qualified Bidders at the same time. The auction shall be conducted as follows:

1. Manner in which the Auction Conducted. The Court (or the Debtors' counsel, if that is the Court's preference) shall direct and preside over the Auction. Only Qualified Bidders (or their qualified representatives) will be entitled to make any Bids at the Auction.

2. Properties Auctioned Separately. There shall be separate and distinct auctions for each of the Seven Properties.

3. Bid Increments. Minimum bid increments during the auction shall be in the amount of $50,000.00.

4. Successful Bidder. The auction shall continue until the Debtors and the co-owners determine that there is a highest or otherwise best Qualified Bid at the auction (a "Successful Bid," and each Bidder submitting such Successful Bid, a "Successful Bidder"). The auction shall not close until all Bidders who have submitted Qualified Bids have been given a reasonable opportunity to submit an Overbid at the auction to the then-existing Overbids.

5. First Backup Bidder. The Qualified Bidder with the second highest or otherwise best Qualified Bid at the Auction will be designated as the first backup bidder (the "First Backup Bidder"). The First Backup Bidder shall be required to keep its initial Bid (or, if the First Backup Bidder submitted one or more Overbids at the Auction, its final Overbid) (the "First Backup Bid") open and irrevocable until the close of escrow on the sale of the property.

6. Second Backup Bidder. The Qualified Bidder with the third highest or otherwise best Qualified Bid at the Auction will be designated as the second backup bidder (the "Second Backup Bidder"). The Second Backup Bidder shall be required to keep its initial Bid (or, if the Second Backup Bidder submitted one or more Overbids at the Auction, its final Overbid) (the "Second Backup Bid") open and irrevocable until the close of escrow on the sale of the property.

7. Determination of Successful Bidder and Backup Bidders. Immediately upon the conclusion of the auction, the Debtors and the co-owners of the Property will attempt to agree on which Bids are the Successful Bids and backup Bids. If the parties cannot agree on which Bids are the Successful Bids and Backup Bids, the disputed issues shall be promptly submitted to the Bankruptcy Court for its determination as to the Successful Bids and backup Bids.

I have read, understand and consent to the Bidding Procedures above.

EXECUTED on April 4, 2022, at _____, California.

(Mayer Capital Partners)

DocuSigned by:

Ron mayer

E6263FF8823B4D9...

Ron Mayer

Exhibit 1

Exhibit 2

Title Report

ORDER NO. : 2676022591

EXHIBIT A

The land referred to is situated in the County of Los Angeles, City of Los Angeles, State of California, and is described as follows:

Lot 197 of Tract No. 3018, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 31 Pages 45 and 46 of Maps, in the office of the County Recorder of said County.

APN: 2653-020-004

Exhibit 2

OLD REPUBLIC TITLE COMPANY
A MEMBER OF THE OLD REPUBLIC TITLE INSURANCE GROUP

101 North Brand Blvd., 14th Floor
Glendale, CA 91203
(818) 247-2917

PRELIMINARY REPORT

Our Order Number 2676022591-52

Customer Reference 8335 Willis Avenue

CBRD
1840 Century Park East, Suite 900
Los Angeles, CA 90067
Phone: (310) 550-2508

Attention: PRISCILLA NEE

When Replying Please Contact:

Rolly Cruz
title05.la@ortc.com
Ph: (818) 247-2917
Efax: (818) 484-2602

Property Address:

8335 Willis Avenue, (Panorama City Area), Los Angeles, CA 91402

In response to the above referenced application for a policy of title insurance, OLD REPUBLIC TITLE COMPANY, as issuing Agent of Old Republic National Title Insurance Company, hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Exhibit I attached. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the Homeowner's Policy of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit I. Copies of the Policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit I of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.
It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of February 24, 2022, at 7:30 AM

OLD REPUBLIC TITLE COMPANY
For Exceptions Shown or Referred to, See Attached

Exhibit 2

OLD REPUBLIC TITLE COMPANY
ORDER NO. 2676022591-52

The form of policy of title insurance contemplated by this report is:

CLTA Standard Coverage Policy -1990; AND ALTA Loan Policy - 2006. A specific request should be made if another form or additional coverage is desired.

The estate or interest in the land hereinafter described or referred or covered by this Report is:

A Fee

Title to said estate or interest at the date hereof is vested in:

Yim Pooi Wong, trustee of Yim Pooi Wong Revocable Trust Dated 8/1/1998 amended 10/31/2014 and Lai Hung Wong, trustee of Lai Hung Wong Revocable Trust Dated 8/1/1998 amended 10/31/2014 and Chilk, subject to proceedings pending in U.S. Bankruptcy Court of the Central District of California, entitled: Yim Pooi Wong and Lai Hung Wong, Debtor, Case No 2:21-bk-17515-VZ, wherein a petition for relief was filed on September 27, 2021 (Chapter 11); and

Chik Pui Wong, a married man as his sole and separate property, as their interests appear of record.

The land referred to in this Report is situated in the County of Los Angeles, City of Los Angeles, State of California, and is described as follows:

Lot 197 of Tract No. 3018, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 31 Pages 45 and 46 of Maps, in the office of the County Recorder of said County.

APN: 2653-020-004

At the date hereof exceptions to coverage in addition to the Exceptions and Exclusions in said policy form would be as follows:

1. Taxes and assessments, general and special, for the fiscal year 2022 - 2023, a lien, but not yet due or payable.

Code No.	:	08856
Assessor's Parcel No	:	2653-020-004

2. Taxes and assessments, general and special, for the fiscal year 2021 - 2022, as follows:

Assessor's Parcel No	:	2653-020-004	
Code No.	:	08856	
1st Installment	:	$15,282.88	NOT Marked Paid
2nd Installment	:	$15,282.88	NOT Marked Paid
Land Value	:	$676,136.00	
Imp. Value	:	$1,577,666.00	

Exhibit 2

3. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

4. Lease upon the terms, covenants, and conditions contained therein,

Lessor	:	Lai Hung Wong
Lessee	:	Consolidated Lauco Systems
Dated	:	August 1, 1991
Recorded	:	September 30, 1991 in Official Records As Instrument No. 91-1538072

NOTE: The present ownership of said leasehold or leaseholds and other matters affecting the interest of the lessee or lessees are not shown herein.

5. An unrecorded lease upon the terms, covenants, and conditions contained or referred to therein,

Lessor	:	YIM POOI WONG
Lessee	:	Web Service Company, Inc.
Disclosed by	:	MEMORANDUM OF LEASE
Dated	:	January 16, 2002
Recorded	:	April 16, 2002 in Official Records As Instrument No. 02-0888988

NOTE: The present ownership of said leasehold or leaseholds and other matters affecting the interest of the lessee or lessees are not shown herein.

6. Matters as contained or referred to in an instrument,

Entitled	:	Description of the land within the Earthquake Disaster Assistance Project Area for Portions of Council District 7 (Pacoima-Panorama City-Sunland-Tujunga) Redeveloment Project Area and Statement that Redevelopment Proceedings Instituted (Health and Safety Code Section 33373)
Recorded	:	November 30, 2007 in Official Records As Instrument No. 20072636419
Which Among Other Things Provides	:	See Instrument for Full Particulars

Exhibit 2

7. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount	:	$1,450,000.00
Trustor/Borrower	:	Yim Pooi Wong and Lai Hung Wong and Chik Pui Wong
Trustee	:	CALIFORNIA RECONVEYANCE COMPANY, a California corporation, and its successors in trust and assigns
Beneficiary/Lender	:	JPMORGAN CHASE BANK, N.A.
Dated	:	July 16, 2012
Recorded	:	July 24, 2012 in Official Records As Instrument No. 20121087398
Loan No.	:	100495044

8. Provisions of the Bankruptcy Reform Act of 1978, as amended, and of the terms, conditions and provisions of any Order which may be entered in the following:

Case No.	:	2:21-bk-17515-VZ
District	:	Central District of California
Debtor	:	Yim Pooi Wong and Lai Hung Wong
Chapter	:	11

9. Water rights, claims or title to water, whether or not shown by the public records.

10. Any unrecorded and subsisting leases.

11. The requirement that this Company be provided with an opportunity to inspect the land (the Company reserves the right to make additional exceptions and/or requirements upon completion of its inspection).

12. The requirement that this Company be provided with a suitable Owner's Declaration (form ORT 174). The Company reserves the right to make additional exceptions and/or requirements upon review of the Owner's Declaration.

Exhibit 2

13. Terms and conditions contained in the Yim Pooi Wong Revocable Trust Dated 8/1/1998 amended 10/31/2014 as disclosed by QUITCLAIM DEED.

Dated : December 15, 2014
Recorded October 26, 2015 in Official Records As Instrument No. 20151308336

The requirement that:

A Certification of Trust be furnished in accordance with Probate Code Section 18100.5; and

If the acting trustee is a successor trustee the additional requirement the Company is provided a complete copy of the trust, with all amendments and any intervening trustee is no longer acting in that capacity by providing copies of resignation letters, etc.

The Company reserves the right to make additional exceptions and/or requirements upon review of the above.

14. Terms and conditions contained in the Lai Hung Wong Revocable Trust Dated 8/1/1998 amended 10/31/2014 as disclosed by QUITCLAIM DEED.

Dated : December 15, 2014
Recorded October 26, 2015 in Official Records As Instrument No. 20151308336

The requirement that:

A Certification of Trust be furnished in accordance with Probate Code Section 18100.5; and

If the acting trustee is a successor trustee the additional requirement the Company is provided a complete copy of the trust, with all amendments and any intervening trustee is no longer acting in that capacity by providing copies of resignation letters, etc.

The Company reserves the right to make additional exceptions and/or requirements upon review of the above.

15. The effect of instruments, proceedings, liens, decrees or other matters which do not specifically describe said land but which, if any do exist, may affect the title or impose liens or encumbrances thereon. The name search necessary to ascertain the existence of such matters has not been completed and, in order to do so, we require a signed Confidential Statement of Information from or on behalf of CHIK PUI WONG and YIM POOI WONG and LAI HUNG WONG.

Exhibit 2

16. Underwriting approval is required prior to our acceptance of instructions, recording of instruments and issuance of a title insurance policy or other product. If the application is approved, this report may be amended; additional exceptions from coverage may be shown, and additional conditions or requirements may be made.

---------- Informational Notes ----------

A. The applicable rate(s) for the policy(s) being offered by this report or commitment appears to be section(s) 3.1 & 4.1.

B. The above numbered report (including any supplements or amendments thereto) is hereby modified and/or supplemented to reflect the following additional items relating to the issuance of an American Land Title Association loan form policy:

NONE

NOTE: Our investigation has been completed and there is located on said land a Multi-Family Residence known as 8335 Willis Avenue, (Panorama City Area), City of Los Angeles, California 91402.

The ALTA loan policy, when issued, will contain the CLTA 100 Endorsement and 116 series Endorsement.

Unless shown elsewhere in the body of this report, there appear of record no transfers or agreements to transfer the land described herein within the last three years prior to the date hereof, except as follows:

NONE

Exhibit 2

OLD REPUBLIC TITLE COMPANY
ORDER NO. 2676022591-52

NOTE:

The following statement is deemed attached as a coversheet to any declaration, governing document, or deed identified in the above exceptions:

If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code by submitting a "Restrictive Covenant Modification" form, together with a copy of the attached document with the unlawful provision redacted to the county recorder's office. The "Restrictive Covenant Modification" form can be obtained from the county recorder's office and may be available on its internet website. The form may also be available from the party that provided you with this document. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

Information for processing a "Restrictive Covenant Modification" form:

1. Print a complete copy of the document in question. Strike out what you believe to be unlawful restrictive language in the document.
2. Print and complete the "Restrictive Covenant Modification" ("RCM") form. Note that the signature on the form must be acknowledged by a notary public or other qualified officer.
3. Submit the completed RCM form and the document with your strike-outs to the County Clerk-Recorder's Office for the county where the property is located. No fee is required for this service.
4. The County Clerk-Recorder's Office will forward the RCM form and the document with your strike-outs to the Office of the County Counsel, who will determine whether the document contains any unlawful restrictions.
5. The Office of the County Counsel will return the RCM form and the document with your strike-outs to the County Clerk-Recorder's Office along with its determination. If approved, a Deputy County Counsel will sign the RCM, and the County Clerk-Recorder's Office will record, image and index it. If the Office of the County Counsel determines that the document does not contain an unlawful restriction, the County Clerk-Recorder's Office will not record the RCM.
6. The approved RCM will be returned to the submitter by mail.

The "Restrictive Covenant Modification" form is linked below:

Restrictive Covenant Modification form

Exhibit 2

Exhibit I

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990 (11/09/18)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses which arise by reason of:

1. (a) Any law, ordinance, or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the land;
   (ii) the character, dimensions, or location of any improvement now or hereafter erected on the land;
   (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or
   (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing-business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE

SCHEDULE B - PART I

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.

Exhibit 2

Exhibit I

AMERICAN LAND TITLE ASSOCIATION LOAN POLICY OF TITLE INSURANCE (06/17/06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

SCHEDULE B - PART I

Except as provided in Schedule B - Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy.

Exhibit 2

OLD REPUBLIC TITLE

FACTS	WHAT DOES OLD REPUBLIC TITLE DO WITH YOUR PERSONAL INFORMATION?

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: • Social Security number and employment information • Mortgage rates and payments and account balances • Checking account information and wire transfer instructions When you are *no longer* our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Old Republic Title chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Old Republic Title share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), or respond to court orders and legal investigations, or report to credit bureaus	**Yes**	**No**
For our marketing purposes — to offer our products and services to you	**No**	**We don't share**
For joint marketing with other financial companies	**No**	**We don't share**
For our affiliates' everyday business purposes — information about your transactions and experiences	**Yes**	**No**
For our affiliates' everyday business purposes — information about your creditworthiness	**No**	**We don't share**
For our affiliates to market to you	**No**	**We don't share**
For non-affiliates to market to you	**No**	**We don't share**

	Go to www.oldrepublictitle.com (*Contact Us*)

Exhibit 2

Who we are	
Who is providing this notice?	Companies with an Old Republic Title name and other affiliates. Please see below for a list of affiliates.

What we do	
How does Old Republic Title protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. For more information, visit https://www.oldrepublictitle.com/privacy-policy
How does Old Republic Title collect my personal information?	We collect your personal information, for example, when you: • Give us your contact information or show your driver's license • Show your government-issued ID or provide your mortgage information • Make a wire transfer We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only: • Sharing for affiliates' everyday business purposes - information about your creditworthiness • Affiliates from using your information to market to you • Sharing for non-affiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See the State Privacy Rights section location at https://www.oldrepublictitle.com/privacy-policy for your rights under state law.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. • *Our affiliates include companies with an Old Republic Title name, and financial companies such as Attorneys' Title Fund Services, LLC, Lex Terrae National Title Services, Inc., Mississippi Valley Title Services Company, and The Title Company of North Carolina.*
Non-affiliates	Companies not related by common ownership or control. They can be financial and non-financial companies. • *Old Republic Title does not share with non-affiliates so they can market to you*
Joint marketing	A formal agreement between non-affiliated financial companies that together market financial products or services to you. • *Old Republic Title doesn't jointly market.*

Exhibit 2

Affiliates Who May be Delivering This Notice				
American First Title & Trust Company	American Guaranty Title Insurance Company	Attorneys' Title Fund Services, LLC	Compass Abstract, Inc.	eRecording Partners Network, LLC
Genesis Abstract, LLC	Guardian Consumer Services, Inc.	iMarc, Inc.	Kansas City Management Group, LLC	L.T. Service Corp.
Lenders Inspection Company	Lex Terrae National Title Services, Inc.	Lex Terrae, Ltd.	Mississippi Valley Title Services Company	National Title Agent's Services Company
Old Republic Branch Information Services, Inc.	Old Republic Diversified Services, Inc.	Old Republic Escrow of Vancouver, Inc.	Old Republic Exchange Company	Old Republic National Ancillary Services, Inc.
Old Republic National Commercial Title Services, Inc.	Old Republic Title and Escrow of Hawaii, Ltd.	Old Republic National Title Insurance Company	Old Republic Title Company	Old Republic Title Companies, Inc.
Old Republic Title Company of Conroe	Old Republic Title Company of Indiana	Old Republic Title Company of Nevada	Old Republic Title Company of Oklahoma	Old Republic Title Company of Oregon
Old Republic Title Company of St. Louis	Old Republic Title Company of Tennessee	Old Republic Title Information Concepts	Old Republic Title Insurance Agency, Inc.	Old Republic Title, Ltd.
RamQuest Software, Inc.	Republic Abstract & Settlement, LLC	Sentry Abstract Company	Surety Title Agency, Inc.	The Title Company of North Carolina
Trident Land Transfer Company, LLC				

Exhibit 2

Updated: January 1, 2021

Privacy Notice for California Consumers

This Privacy Notice for California Consumers supplements the information contained in the Master Privacy Notice for Old Republic Title and applies to consumers that reside in the State of California. The terms used in this Privacy Notice have the same meaning as the terms defined in the California Consumer Privacy Act ("CCPA").

What Personal Information We Collect

In accordance with the CCPA, personal information is information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Personal information does not include:
Information outside the scope of the CCPA such as:

- Health or medical information covered by the Health Insurance Portability Act of 1996 (HIPAA) and the California Confidentiality of Medical Information Act (CMIA).
- Personal Information covered by the Gramm-Leach-Bliley Act (GLBA), the Fair Credit Reporting Act (FCRA), the California Financial Information Privacy Act (FIPA), and the Driver's Privacy Protection Act of 1994,
- Publicly available information that is available from federal, state, or local government records, and
- De-identified or aggregated consumer information.

Please see the chart below to learn what categories of personal information we may have collected about California consumers within the preceding twelve months, the sources of and business purposes for that collection and the third parties with whom the information is shared, if any.

Category	Examples	Collected	Sources	Business Purpose for Collection	Categories of Third Parties with Whom Information is Shared
Identifiers	Real name, alias, postal address, unique personal identifier, online identifier, Internet protocol address, email address, account name, social security number, driver's license number, passport number or other similar identifiers	Yes	Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction	Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints, detecting security incidents, protecting against malicious,	Service providers associated with the transaction for a business purpose

Exhibit 2

				deceptive, fraudulent, or illegal activity. Other audit or operational purposes.	
Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))	Name, signature, social security number, physical characteristics or description, address, telephone number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information. "Personal information" does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.	Yes	Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction	Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.	Service providers associated with the transaction for a business purpose
Characteristics of protected classifications under California or federal law	Age (40 years or older), race, color, ancestry, national origin, citizenship, religions or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related	Yes	Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction	Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes.	Service providers associated with the transaction for a business purpose

Exhibit 2

	medical conditions), sexual orientation, veteran or military status, or genetic information (including familial genetic information).				
Internet or other electronic network activity	Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement.	Yes	Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction	To provide access to certain online services. To understand the interests of visitors to our online services, to support certain features of our site, for navigation and to display certain features more effectively. Detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.	Not Disclosed
Geolocation data	Geographic tracking data, physical location and movements	Yes	Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction	To provide access to certain online services. To understand the interests of visitors to our online services, to support certain features of our site, for navigation and to display certain features more effectively. Other audit or operational purposes.	Not Disclosed

Exhibit 2

What Personal Information We Share and Why We Share It

The CCPA requires us to tell you what categories of personal information we "sell" or "disclose." We do not sell and will not sell your personal information as that term is commonly understood. We also do not sell and will not sell your personal information, including the personal information of persons under 16 years of age, as that term is defined by the CCPA. When it is necessary for a business purpose, we share or disclose your personal information with a service provider, and we enter a contract with the service provider that limits how the information may be used and requires the service provider to protect the confidentiality of the information.

In the preceding twelve months, we have disclosed the following categories of personal information for the following business purposes. Where the personal information is shared with third parties, as that term is defined in the CCPA, the category of the third party is indicated.

Category	Examples	Business Purpose for Disclosure	Categories of Third Parties with Whom Information is Shared
Identifiers	Real name, alias, postal address, unique personal identifier, online identifier, internet protocol address, email address, account name, social security number, driver's license number, passport number or other similar identifiers	Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.	Service providers associated with the transaction for a business purpose
Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))	Name, signature, social security number, physical characteristics or description, address, telephone number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information. "Personal information" does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.	Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.	Service providers associated with the transaction for a business purpose

Exhibit 2

Characteristics of protected classifications under California or federal law	Age (40 years or older), race, color, ancestry, national origin, citizenship, religions or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, veteran or military status, or genetic information (including familial genetic information).	Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes.	Service providers associated with the transaction for a business purpose
Internet or other electronic network activity	Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement.	To provide access to certain online services. To understand the interests of visitors to our online services, to support certain features of our site, for navigation and to display certain features more effectively. Detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.	Not Disclosed
Geolocation data	Geographic tracking data, physical location and movements	To provide access to certain online services. To understand the interests of visitors to our online services, to support certain features of our site, for navigation and to display certain features more effectively. Other audit or operational purposes.	Not Disclosed

We may also transfer to a third party the personal information of a consumer as an asset that is part of a merger, acquisition, bankruptcy, or other transaction in which the third party assumes control of all or part of the business.

Your Rights and Choices

The CCPA provides California consumers with certain rights regarding their personal information. This chart describes those rights and certain limitations to those rights.

Right	What This Means
Notice	At or before the time your personal information is collected, you will be given written notice of the categories of personal information to be collected and the purposes for which the categories of personal information will be used.
Access	At your verifiable request, but no more than twice in a twelve month period, we shall disclose to you: 1) the categories of personal information we have collected about you, 2) the

Exhibit 2

	categories of sources for the personal information we collected about you, 3) our business and commercial purpose for collecting or selling your personal information, 4) the categories of third parties with whom we share your personal information, 5) The specific pieces of information we have collected about you, 6) the categories of personal information disclosed for a business purpose, and 7) If we sold personal information, the categories of personal information sold and the categories of third parties to whom it was sold.
Deletion	You have the right to request that we delete any of your personal information that we collected from you, subject to certain exceptions. Once we receive and verify your request, we will delete (and direct our service providers to delete) your personal information from our records unless an exception applies. We may deny your request if retention of the information is necessary for us or our service providers to: • Complete the transaction for which we collected the personal information, provide a good or service that you requested, take actions reasonably anticipated within the context of our ongoing business relationship with you, or otherwise perform our contract with you. • Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities. • Debug products to identify and repair errors that impair existing intended functionality. • Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law. • Comply with the California Electronic Communications Privacy Act (Cal. Penal Code §1546 et seq.) • Engage in public or peer reviewed scientific, historical, or statistical research in the public interest that adheres to all other applicable ethics and privacy laws, when the information's deletion may likely render impossible or seriously impair the research's achievement, if you previously provided informed consent. • Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us. • Comply with a legal obligation. • Make other internal and lawful uses of that information that are compatible with the context in which you provided it. • Or if it is the type of personal information that falls outside the scope of the CCPA, (HIPAA, CIMA, GLBA, or publicly available information)
Opt-Out of Sale Opt-In to Sale	With some limitations, you may direct a business that sells personal information to third parties not to sell the personal information to these third parties. A business may not sell the personal information of persons less than sixteen years of age without their affirmative consent, and in the case of those less than thirteen years of age, the consent must come from a parent.
Non-Discrimination	We will not discriminate against you for exercising your rights under the CCPA. Unless otherwise permitted by the CCPA we will not: • Deny you goods or service • Charge you different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties • Provide a different level or quality of goods or services • Suggest that you will receive a different price or rate for goods or services or a different level or quality of goods or services

Exhibit 2

To Exercise Your Rights

To Opt-out of the Sale of Your Personal Information

The CCPA gives consumers the right to direct a business that sells personal information about the consumer to third parties not to sell the consumer's personal information. We do not sell and will not sell your personal information as that term is commonly understood. We also do not sell and will not sell your personal information, as that term is defined by the CCPA.

To Request Access to or Deletion of Your Personal Information

To exercise your access or deletion rights described above, please submit a verifiable consumer request to us by either: Calling us at 1-855-557-8437 or contacting us through our website CCPA Consumer Request.

Only you or your representative that you authorize to act on your behalf (Authorized Agent) can make a verifiable consumer request for your personal information. You may also make a request for your minor child. The verifiable request must provide enough information that allows us to reasonably verify you are the person about whom we collected personal information. We cannot respond to your request or provide you with personal information if we cannot verify your identity or authority to make the request and to confirm the personal information relates to you.

We work to respond to a verifiable consumer request within 45 days of its receipt. If we require additional time, we will inform you of the extension period (up to an additional 45 days), and the reason for the extension in writing. If you have an account with us, we will deliver our response to that account. If you do not have an account with us, we will deliver our response by mail or electronically, depending on your preference. The response we provide will also explain any reasons why we cannot comply with a request.

You may only make a consumer request for access twice within a twelve-month period.
Any disclosures we provide will apply to the twelve-month period preceding the consumer request's receipt.

Contact Us

If you have any questions regarding our Privacy Notice or practices, please contact us via phone at 1-855-557-8437 or send your written request to: CCPA@oldrepublictitle.com, or Old Republic Title c/o CCPA Consumer Request Group, 275 Battery Street, Suite1500, San Francisco, CA 94111-3334.

Exhibit 2

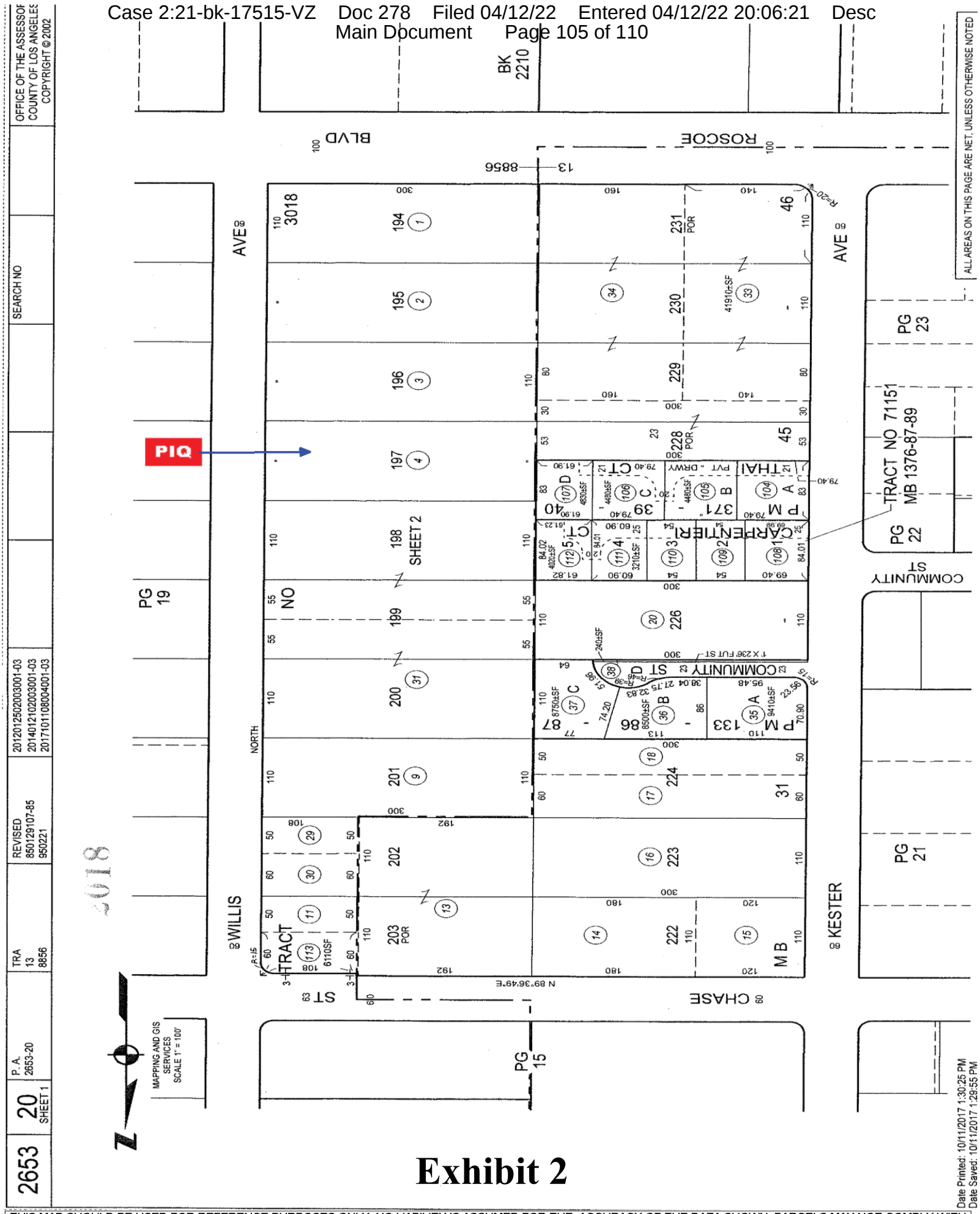

Exhibit 2

THIS MAP SHOULD BE USED FOR REFERENCE PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: **100 Spectrum Center Drive, Suite 600, Irvine, California 92618**

A true and correct copy of the foregoing document entitled (*specify*): **NOTICE OF SALE OF ESTATE PROPERTY** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)**: Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) **April 12, 2022,** I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:
On (*date*) **April 12, 2022 [to be mailed on April 13, 2022]**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

April 12, 2022	**Lorre Clapp**	**/s/ Lorre Clapp**
Date	*Printed Name*	*Signature*

NEF SERVICE LIST

- James C Bastian, Jr on behalf of Debtors Yim Pooi Wong and Lai Hung Wong jbastian@shulmanbastian.com
- Ron Bender on behalf of Examiner David K. Gottlieb rb@lnbyb.com
- Mia S Blackler on behalf of Creditor JPMorgan Chase Bank, N.A. mblackler@lubinolson.com, mblackler@lubinolson.com,gbeasley@lubinolson.com
- Todd S Garan on behalf of Creditor Axos Bank, LoanCare LLC ch11ecf@aldridgepite.com, TSG@ecf.inforuptc y.com;tgaran@aldridgepite.com
- Stella A Havkin on behalf of 20 Largest Creditor Chik Pui (Chris) Wong and Biyu Liao (Mary) Wong stella@havkinandshrago.com, havkinlaw@earthlink.net;shavkinesq@gmail.com
- Clifford P Jung on behalf of 20 Largest Creditor Jung & Yuen LLP clifford@jyllp.com, ry@jyllp.com;jessica@jyllp.com
- Melissa Davis Lowe on behalf of Debtors Yim Pooi Wong and Lai Hung Wong mlowe@shulmanbastian.com, avernon@shulmanbastian.c om
- Krikor J Meshefejian on behalf of Examiner David K. Gottlieb kjm@lnbyg.com
- Kelly L Morrison on behalf of U.S. Trustee United States Trustee (LA) kelly.l.morrison@usdoj.gov
- Ryan D O'Dea on behalf of Debtors Yim Pooi Wong and Lai Hung Wong rodea@shulmanbastian.com, lgauthier@shulmanbas tian.com
- United States Trustee (LA) ustpregion16.la.ecf@usdoj. gov

U.S. MAIL SERVICE LIST

Judge's Copy
United States Bankruptcy Court
Attn: Honorable Vincent P. Zurzolo
Roybal Federal Building
255 E. Temple Street, Suite 1360
Los Angeles, CA 90012

CBRE, Inc. –Broker for Buyer and Seller
CBRE, Inc.
Attn Priscilla Nee and Chris Tresp
1840 Century Park East, Suite 900
Los Angeles, CA 90067

Buyer
Ron Mayer – Mayer Capital
4550 Wilshire Blvd.
Los Angeles, CA 90010

U.S. MAIL SERVICE LIST
[ALL CREDITORS AND PARTIES IN INTEREST INCLUDING THE 20 LARGEST UNSECURED CREDITORS]

DEBTORS
YIM POOI WONG
LAI HUNG WONG
354 WEST LAS FLORES AVENUE
ARCADIA, CA 91107

SCHEDULE F/20 LARGEST UNSECURED CREDITOR
CHIK PUI WONG (CHRIS WONG)
BIYU LIAO (MARY WONG)
12687 MCCATHYSVILLE PL
SARATOGA, CA 95070-3847

ATTORNEY FOR CHIK PUI WONG
JAMES R. CRACOLICE ESQ
CRACOLICE & ASSOCIATES
1999 S BASCOM AVENUE SUITE 700
CAMPBELL, CA 95008-2205

ATTORNEY FOR CHIK PUI WONG
TRAVIS A CORDER ESQ
CORDER LAW OFFICE
815 MORAGA DRIVE SUITE 300
LOS ANGELES, CA 90049-1633

APPELLATE ATTORNEY FOR CHIK PUI WONG
MARTIN N. BUCHANAN
LAW OFFICE OF MARTIN N. BUCHANAN
170 LAUREL STREET
SAN DIEGO, CA 92101-1419

EXAMINER
DAVID K GOTTLIEB EXAMINER
D GOTTLIEB & ASSOCIATES LLC
16255 VENTURA BLVD SUITE 440
ENCINO, CA 91436

UNITED STATES TRUSTEE
UNITED STATES TRUSTEE
915 WILSHIRE BLVD SUITE 1859
LOS ANGELES, CA 90017

SCHEDULE E
INTERNAL REVENUE SERVICE
PO BOX 7346
PHILADELPHIA, PA 19101-7346

SCHEDULE E
CALIFORNIA FRANCHISE TAX BOARD
BANKRUPTCY SECTION MS: A-340
PO BOX 2952
SACRAMENTO, CA 95812-2952

SCHEDULE E
CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
ACCOUNT INFORMATION GROUP
MIC:29
PO BOX 942879
SACRAMENTO, CA 94279-0029

CLAIM FILED
LOS ANGELES COUNTY TREASURER AND TAX COLLECTOR
ATTN BANKRUPTCY UNIT
PO BOX 54110
LOS ANGELES, CA 90054-0110

NOTICE PURPOSES - COURT MAILING LIST
OFFICE OF FINANCE CITY OF LOS ANGELES
200 N SPRING ST RM 101 CITY HALL
LOS ANGELES, CA 90012-3224

NOTICE PURPOSES - COURT MAILING LIST
LOS ANGELES CITY CLERK
PO BOX 53200
LOS ANGELES, CA 90053-0200

SCHEDULE D
AXOS BANK
ATTN PRESIDENT OR MANAGER AGENT
PO BOX 919008
SAN DIEGO, CA 92191-9872

ADDITIONAL NOTICE - COURT MAILING LIST
AXOS BANK
ATT PRESIDENT OR MANAGER AGENT
4350 LA JOLLA VILLAGE DR
SUITE 100
SAN DIEGO, CA 92122-1244

ADDITIONAL NOTICE - COURT MAILING LIST
AXOS BANK FKA BANK OF INTERNET USA
ATT PRESIDENT OR MANAGER AGENT
C/O ALDRIDGE PITE LLP
4375 JUTLAND DRIVE SUITE 200
PO BOX 17933
SAN DIEGO, CA 92177-7921

SCHEDULE D
JPMORGAN CHASE BANK BANK NA CHASE BANK
COMMERCIAL TERM LENDING
ATTN PRESIDENT OR MANAGER AGENT
PO BOX 9176
COPPELL, TX 75019-9176

ADDITIONAL NOTICE - COURT MAILING LIST
JPMORGAN CHASE BANK NA
BANKRUPTCY MAIL INTAKE TEAM
700 KANSAS LANE FLOOR 01
MONROE, LA 71203-4774

SCHEDULE D
EAST WEST BANK
ATTN PRESIDENT OR MANAGER
AGENT
PO BOX 60020
CITY OF INDUSTY, CA 91716-0020

SCHEDULE D
NEWREZ
ATTN PRESIDENT OR MANAGER
AGENT
PO BOX 8068
VIRGINIA BEACH, VA 23450-8068

SCHEDULE D - PROOF OF CLAIM ADDRESS RE NEWREZ
LOANCARE LLC
[SERVICER FOR NEWREZ}
ATTN PRESIDENT OR MANAGER
AGENT
3637 SENTARA WAY
VIRGINIA BEACH, VA 23452-4262

SCHEDULE D
WELLS FARGO HOME MORTGAGE
ATTN PRESIDENT OR MANAGER
AGENT
PO BOX 14411
DES MOINES, IA 50306-3411

ADDITIONAL NOTICE - COURT MAILING LIST
WELLS FARGO BANK NA
DEFAULT DOCUMENT PROCESSING
MAC# N9286-01Y
PO BOX 1639
MINNEAPOLIS, MN 55440-1629

SCHEDULE F/20 LARGEST UNSECURED CREDITOR
JUNG & YUEN LLP
ATTN CURTIS C JUNG ESQ
2667 E COLORADO BLVD FL 2
PASADENA, CA 91107-3725

SCHEDULE F/20 LARGEST UNSECURED CREDITOR
SMITH DICKSON CERTIFIED PUBLIC
ACCOUNTANTS LLP
ATTN PRESIDENT OR MANAGER
AGENT
18100 VON KARMAN AVENUE SUITE
420
IRVINE, CA 92612-7194

SCHEDULE F/20 LARGEST UNSECURED CREDITOR
MURTAUGH TREGLIA STERN &
DEILY LLP
ATTN PRESIDENT OR MANAGER
AGENT
POST OFFICE BOX 19627
IRVINE, CA 92623-9627

PROPERTY CO-OWNER [STIMSON, KLINGERMAN AND COGSWELL]
WAI PAN LAM AND XUE FANG
HUANG TRUSTEES OF THE LAM AND
HUANG FAMILY TRUST
DATED NOVEMBER 6, 2005
128 W WOODRUFF AVENUE
ARCADIA, CA 91007

PROPERTY CO-OWNER [COGSWELL]
ANDY KA-WAH HUANG
302 LAGUNARIA LN
ALAMEDA, CA 94502

PROPERTY CO-OWNER [HAZELHURST, LOTUS]
SIU KUEN YEE TRUSTEE OF THE SIU
KUEN YEE REVOCABLE LIVING
TRUST
UNDER DECLARATION OF TRUST
DATED SEPTEMBER 16, 2014, A
WIDOW
1045 SOUTH MANSFIELD AVENUE
LOS ANGELES, CA 90019

PROPERTY CO-OWNER [LOTUS]
CURTIS YEE
920 S SPAULDING AVE
LOS ANGELES, CA 90036

NOTICE PURPOSES - COURT MAILING LIST
EMPLOYMENT DEVELOPMENT DEPT
BANKRUPTCY GROUP MIC 92E
PO BOX 826880
SACRAMENTO, CA 94280-0001

NOTICE PURPOSES - COURT MAILING LIST
SECURITY & EXCHANGE
COMMISSION
444 SOUTH FLOWER ST SUITE 900
LOS ANGELES, CA 90071-2934

ATTORNEY FOR CHIK PUI WONG
JAMES R. CRACOLICE ESQ
CRACOLICE & ASSOCIATES
20 S SANTA CRUZ AVE SUITE 300
LOS GATOS, CA 95030

RETURNED MAIL

ATTORNEY FOR CHIK PUI WONG
JON L.R. DALBERG
LANDAU LAW LLP
2338 MANNING AVENUE
LOS ANGELES, CA 90064
SEE SUBSTITUTED ATTORNEY - DOCKET 65

ADDITIONAL NOTICE - COURT MAILING LIST
CHIK PUI WONG (CHRIS WONG)
BIYU LIAO (MARY WONG)
12687 MCCATHYSVILLE PL
SARATOGA, CA 95070
WOODLAND HILLS, CA 91367
UNDELIVERABLE

APPELLATE ATTORNEY FOR CHIK PUI WONG
MARTIN N. BUCHANAN
LAW OFFICE OF MARTIN N.
BUCHANAN
655 W BROADWAY STE 1700
SAN DIEGO, CA 92101
RETURNED 3/8/22; SEE NEW ADDRESS PER STATE BAR WEBSITE

ADDITIONAL NOTICE - COURT MAILING LIST
JPMORGAN CHASE BANK NA
ATTN PRESIDENT OR MANAGER
AGENT
PO BOX 6506528
DALLAS, TX 75265-0528
RETURNED 3/28/2022, UNDELIVERABLE

PROPERTY CO-OWNER [COGSWELL]
ANDY KA-WAH HUANG
3406 REDHOOK LN
ALAMEDA, CA 94502
RETURNED 3/8/22; UNABLE TO FORWARD; RETURN TO SENDER; 4/11/2022, SEE NEW ADDRESS PER EMAIL FROM ANDY KA-WAH HUANG