RESOLUTION NO. 2017-104

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK AUTHORIZING AND APPROVING A PURCHASE AND SALE AGREEMENT WITH KANDY INVESTMENTS, LLC, FOR THE CITY'S PURCHASE OF PROPERTY AT 6250 STATE FARM DRIVE AND AUTHORIZING THE MAYOR OR CITY MANAGER TO EXECUTE THE AGREEMENT AND TAKE ALL OTHER ACTIONS NECESSARY TO CONSUMMATE THE TRANSACTION CONTEMPLATED BY THIS RESOLUTION

WHEREAS, Kandy Investments, LLC is the owner of that certain real property (the "Property") consisting of approximately 0.95 acres of vacant commercial property located in the Downtown District and more particularly described in the Purchase and Sale Agreement attached hereto as Exhibit 1 and incorporated herein by reference; and

WHEREAS, City desires to purchase the Property in the interest of promoting implementation of the City's Strategic Plan and development in the Downtown District; and

WHEREAS, City staff and Kandy Investments have drafted the terms of a Purchase and Sale Agreement, attached hereto as Exhibit 1, to govern the terms and conditions for the purchase and sale of the Property; and

WHEREAS, section 15061 (b) (3) of the CEQA Guidelines exempts activities that are covered under the general rule that CEQA applies only to projects that have the potential to cause significant effects on the environment. Where it can be seen with certainty that there is not possibility the activity in question may have a significant effect upon the environment, the activity is not subject to CEQA. The proposed activity only transfers the ownership of the property from the Kandy Investments to City. Therefore, this activity is exempt from CEQA because there is no possibility for the conveyance to have an effect on the environment; and

WHEREAS, the City Council considered the passage of this Resolution at its regularly scheduled meeting on August 8, 2017.

NOW, THEREFORE, the City Council of the City of Rohnert Park does hereby resolve, determine, find and order as follows:

Section 1. <u>Recitals</u>. The above referenced recitals are true and correct and are incorporated into and form a material part of this Resolution.

Section 2. <u>Approval of Property Purchase Agreement</u>. The City Council hereby approves and authorizes the purchase of the Property from Kandy Investments, LLC for a price of One Million Eight Hundred Fifty Thousand (\$1,850,000.00) and approves the Purchase and Sale Agreement in substantially similar form as provided in <u>Exhibit 1</u>, attached hereto and incorporated by this reference (the "Agreement"). The City Council authorizes the Mayor or City Manager to execute

the Agreement on behalf of the City of Rohnert Park, subject to minor modifications as may be approved by the City Attorney.

Section 3. <u>Acceptance of Property</u>. The Mayor or City Manager are hereby authorized and directed to execute a Certificate of Acceptance for and on behalf of the City of Rohnert Park accepting the grant of the Property pursuant to the terms of the Agreement.

Section 4. Other Actions Authorized. The Mayor or City Manager are hereby authorized and directed to take all action necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated by this Resolution and to take all action necessary in conformity therewith including any extensions to title examinations or other due diligence periods set forth in the Agreement.

DULY AND REGULARLY ADOPTED this 8th day of August, 2017.

CITY OF ROHNERT PARK

Jake Mackenzie, Mayor

ATTEST:

Attachments: Exhibit 1

oAnne M. Buergler, City Cler

AHANOTU: Aye BELFORTE: Aye CALLINAN: Aye STAFFORD: Aye MACKENZIE: Aye AYES: (5) NOES: (0) ABSENT: (0) ABSTAIN: (0)

EXHIBIT 1 PURCHASE AND SALE AGREEMENT

STANDARD COMMERCIAL/INVESTMENT **PURCHASE AGREEMENT** (Non-Residential Or More Than Four Residential Units)

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DEFINITIONS

BROKER includes cooperating broker and all sales persons. DAYS means calendar days, midnight to midnight, unless otherwise specified. BUSINESS DAY excludes Saturdays, Sundays and legal holidays. DATE OF ACCEPTANCE means the date Seller accepts the offer or the Buyer accepts the counter offer, and the written acceptance is put in the course of transmission to the other party. This rule also applies to the removal of contingencies. DELIVERED means personally delivered, transmitted electronically in accordance with applicable laws, by a nationally recognized overnight courier, or by first class mail, postage prepaid. In the event of mailing, the document will be deemed delivered three (3) business days after deposit; in the event of overnight courier, one (1) business day after deposit; and if electronically at the time of fransmission provided that a transmission report is generated and retained by the sender reflecting the accurate transmission of the document. Unless otherwise provided in this Agreement or by law, delivery to the agent will constitute delivery to the principal. DATE OF CLOSING means the date title is transferred. TERMINATING THE AGREEMENT means that both parties are relieved of their obligations and all deposits will be returned to Buyer. PROPERTY means the real property and any personal property included in the sale.

		RMATION. The following agency relationship is hereby confirmed for this transaction and
	edes any prior agency election: TING AGENT:	
X	the Seller exclusively; or 🔲 b	ooth the Buyer and the Seller.
the	agent of (check one):	N/A - No Broker (if not the same as the Listing Agent) is (Print Firm Name) the Seller exclusively; or both the Buyer and the Seller.
		take the place of the AGENCY DISCLOSURE form (P.P. Form 110.42 CAL).
the rea	The City of Rohnert Pa Il property commonly known as 188± sf Commercial Building, I	hereinafter designated as BUYER, offers to purchase 6250 State Farm Drive, Rohnert Park, CA 94928 ocated on an approximate .95 acre lot 143-051-021 (City/State/Zip) (Parcel #) 1,850,000.00 (One Million Eight Hundred Fifty Thousand and no/100 dollars) on the following terms and conditions:
1, FIN	NANCING TERMS AND LOAN sh balance, and closing costs a	PROVISIONS. (Buyer represents that the funds required for the initial deposit, additional deposit, re readily available.)
Α.	held unc the purch	T evidenced by Check, or other: ashed until acceptance and not later than three (3) business days thereafter deposited towards hase price with: Old Republic Title Company
В.	\$ADDITIO	NAL CASH DEPOSIT to be placed in escrow within days after acceptance, receipt of Loan Commitment per Item 2, Other:
C.	\$1,800,000.00 BALANC	E OF CASH PAYMENT needed to close, not including closing costs
D,	FIXED \$ARM: payment Buyer Lende	RATE: Foryears, interest not to exceed%, payable at approximately per month (principal and interest only), with the balance due in not less thanyears. Foryears, initial interest rate not to exceed%, with initial monthly s of \$and maximum lifetime rate not to exceed%. *will pay loan fee or points not to exceed%. *It to appraise property at no less than purchase price prior to loan contingency removal. *ER TERMS:
E.		G FINANCING: ASSUMPTION OF, SUBJECT TO existing loan of record described as
F.	\$SELLER	FINANCING: FIRST LOAN, SECOND LOAN, THIRD LOAN, secured by the property. Financing Addendum, P.P. Form 131.1-3 CAL, is attached and made a part of this Agreement.
G.	\$OTHER	FINANCING TERMS:
Н,	\$1,850,000,00 TOTAL P	PURCHASE PRICE (not including closing costs).
CAUTI	Ing or computerized formats.	er [] [] have read this page. and States forbid the unauthorized reproduction of this form by any means including
Page 1 FORM	of 7 101-C.1 CAL (03-2016) COPYRIGHT 8	BY PROFESSIONAL PUBLISHING LLC, NOVATO, CA

Prop	perty Address	6250 State Farm Drive	Rohnert Park, CA 949	28
Í	A. CONTRACT IS NOT B. CONTRACT IS CON lender or mortgage Agreement, within the financing and will provide a prequal credit report within honored without fault	broker of Buyer's choice, and/or days after acceptance. Buyer complete and submit a loan applica fication letter, or preapproval let days after acceptance. If of Buyer, Buyer may terminate this	btain a commitment for new financing, as set consent to assumption of existing financing will in good faith use his or her best efforts to out the within five (5) days after acceptance. But the from lender or mortgage broker based on But the event a loan commitment or consent is obtained.	provided for in this qualify for and obtain yer ☐ will, ☐ will not yer's application and tained but not timely
3.	the Buyer. In the event the property, the current instal	re are other bonds or assessments in the ment will be prorated between Buy	which are part of or paid with the property tax bit which have an outstanding principal balance an over and Seller as of the date of closing. Future ice, EXCEPT AS FOLLOWS: Agreement is conditioned upon both parties vel	d are a lien upon the installments will be
4.	PROPERTY TAX. Within property tax bill. Buyer is increase; and (b) the tax should make further inquire	seven (7) days after acceptance, advised that: (a) the property will be bill may not include certain exempt	Seller will deliver to Buyer for his or her approve reassessed upon change of ownership which items such as school taxes on property ownership (30) days after acceptance of the tax bill.	ral a copy of the latest in may result in a tax ad by seniors. Buyer
	trust to be assumed or take disapproval of the terms of Seller will submit a written current at close of escrow. will pay the prepayment of encouraged to consult his	n subject to. Within five (5) days at the documents. Approval will not b request for a current Statement of t Galler will pay any prepayment cha rarge on any loan which is to remo or her lender regarding prepayment	icceptance, provide Buyer with copies of all fter receipt Buyer will notify Seller in writing of I o unreasonably withheld. Within three (3) day Sondition on the above loan(s). Geller warrants rge imposed on any existing loan paid off at close sin a lien upon the property after close of esc provisions and any due on sale clauses.	s after acceptance that all loans will be use of escrow. Buyer row. The parties are
	DESTRUCTION OF IMPER materially defective as a delivered to Seller or his of Agreement, Buyer will be early or destruction.	ROVEMENTS. If the improvements result of such damage prior to clos r her Broker, and all unused depositentitled to receive, in addition to the	of the property are destroyed, materially dam e of escrow, Buyer may terminate this Agreen is will be returned. In the event Buyer does not property, any insurance proceeds payable on a	ent by written notice elect to terminate this ecount of the damage
7.	subject only to: [1] real estif any. Within seven (7) day documents of record if aptitle contained in such reptitle, Seller will use due dill cannot be removed before such exceptions. If Seller	safter acceptance, Buyer will o plicable. Within thirty (30) days afort (other than monetary liens to be gence to remove such exceptions as a close of escrow, this Agreement with the content within the c	assumed or taken "subject to," Seller will converted and seller will converted as a Preliminary Title Report and copies of the acceptance, Buyer will report to Seller in which paid upon close of escrow). If Buyer objects to this or her own expense before close of escrotic thing the seller in the unable to remove such objections, Seller will the part terminate this Agreement.	easements of record, of CC&Rs and other riting any valid objections to any exceptions to the ow. If such exceptions he property subject to
8	paid by Buyer, Se	I be in the form of a policy of title in	surance, issued by Old Republic Title Co . NOTE: Buyer show e escrow is opened. In the event a lender requ	mpany uld discuss the type of ires an ALTA lender's
	association fees will be p	rorated as of the date of recordation lits will be credited to Buver.	ts on bonds and assessments assumed by Bu in of the deed. Security deposits, advance rent	als, or considerations
10	after acceptance. If the complete the sale in acceptivered to escrow holde County/City transfer tax(e holder is instructed to rem	price to be paid and deed to be recolosing date falls on a Saturday, Sur with an authorized escrow holder ordance with the terms of this Agr within 15 days after accept s), if any, to be paid by sit the required tax withholding amous EMENT TOGETHER WITH ANY Allowing the site of the paid by the site of the	orded on or before , OR anday or holiday, the close of escrow will be on the selected by Buyer, all funds and instruction in the selected by Buyer, all funds and instruction in the selected by Buyer, all funds and instruction in the selected by Buyer of the selected by Buyer, all funds and instruction in the selecte	w instructions will be Seller - 50/50 s exempt, the escrow Is of sale.
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Prop	erty Address	6250 State Farm Drive	Rohnert Park, CA 94928	3	
11.	PHYSICAL POSSESSION. will be delivered to Buyer (c	Physical possession of the property, w	vith keys to all property locks, alarms, and ga □ a.m., p.m.;	rage door openers,	
	On the day aff	er recordation, not later than	_ 🔲 a.m., 🔛 p.m.		
	window coverings, including burglar, fire, smoke and sec garage door openers with co	g window hardware, window and door urity alarms (unless leased), pool and s untrols, outdoor plants and trees (other t	ng light fixtures and bulbs, attached floor coverscreens, storm sash, combination doors, awn spa equipment, solar systems, attached fireplanan in movable containers), are included in the	ings, TV antennas, ce screens, electric purchase price free	
			er will pay for all costs necessary to repair a	my damage to the	
13.	to engineers, geologists, ar for any structural and no appliances, well, septic sy moid, formaldehyde, radon Seller, copies of all written within fifteen (15) (or30 material facts affecting the	ERTY. Buyer will have the right to retain chitects, contractors, surveyors, arborinstructural conditions, including matt stem, pool, boundaries, geological and gas, and lead-based paint. Buyer if rispection reports obtained. Buyer will also after acceptance. In the event of value or desirability of the property te this Agreement, or invite Seller to	n, at his or her expense, licensed experts inclusts, and structural pest control operators to it ers concerning roofing, electrical, plumbing denvironmental hazards, toxic substances equested by Seller in writing, will-promptly full approve or disapprove in writing all inspect of Buyer's disapproval of inspection reports, or Buyer may, within the time stated or munegotiate repairs. (See P.P. Form 101-M, Admediate repairs.)	nspect the property in heating, cooling, including asbestos, mish, at no cost to ion reports obtained or discovery of other tually agreed upon	
14.	ACCESS TO PROPERTY. other professionals represe	Seller agrees to provide reasonable a	ccess to the property to Buyer and inspectors	, appraisers, and all	
	NOTICE OF VIOLATIONS from City, County, State, Fe	. By acceptance, Seller warrants that hederal or any other governmental agen	e or she has no written notice of violations relactes.		
	Americans with Disabilities describes inspection by a applicable construction-relacialms pursuant to SB 1186	s Act, which may require costly struct Certified Access Specialist (CASp) ated accessibility standards. Such an in S.	I to the existence of Federal and state requural modifications to the property. CA Civil (to determine whether the property does or expection may limit the extent of and statutory	does not meet all damages from ADA	
17.	a true and complete states	STATEMENT. Within seven (7) days ment of rental income and expenses.	of acceptance, Seller will deliver to Buyer, for Within thirty (30) days after acceptance, Bu e of disapproval, Buyer may terminate this Ag	ayer will	
	SERVICE CONTRACTS. service and/or equipment r acceptance Buyer will not	Within seven (7) days of acceptance ental contracts with respect to the prop ifiy Seller in writing of his or her approv	e, Seller will furnish Buyer, for his or her apperty which run beyond close of escrow. Withi val or disapproval, in case of disapproval, Buye	proval copies of any n thirty (30) days after er may terminate this	
19.	Seller will deliver to Buyer.	for his or her approval. True copies of a	and rental agreements. Within seven (7) da Il existing leases and rental agreements, copi	es of all outstanding	
	(7) days of acceptance, deposits held by Seller. Se of existing leases and rent his or her approval or dis Aurement are further cor	a statement of any uncored defaults, iller warrants all information to be true al agreements. Within seven (7) days approval. In case of disapproval, Buy aditioned upon receipt on or before d	ments with tenants. Geller will also deliver to claims made by or to tenants, and a state and complete. Buyer's obligations are condit of receipt of the documents. Buyer will not er may terminate this Agreement. Buyer's of ate of closing of Estoppel Certificates exect to lessor default exists, and stating the amoun	ment of all tenants' oned upon approval fy Seller in writing of oligations under this sted by each tenant	
	CHANGES DURING TRA leases or rental agreemen repairs be made or underta	ts will be made, nor new leases or ren aken to the property without the written	this transaction, Seller agrees that no chatal agreements entered into, nor will any subsconsent of the Buyer.	stantial alterations or	
21.	MAINTENANCE. Seller w heating, ventilating, air concondition as of the time of	nditioning, plumbing, elevators, loading	ng in its present condition, ordinary wear and doors, and electrical systems will be in good	I tear excepted. The operating order and	
22.	days prior to close of MAINTENANCE. This righ	escrow to verify Seller's compliance	conduct a walk-through inspection of the pro e with the provisions under Item 12, FIXTU and Buyer's sole remedy for an alleged bread of possession.	JRES, and Item 20,	
			ad this page.		
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1 and Seller [

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roperty Address	6250 State Farm Drive	Rohnert Park, CA 94928		
execution of this Agindgment, the prevacosts to be determined.	ATTORNEY FEES. In any action arbitration, or other proceeding involving a dispute between Buyer and Seller arising out of the execution of this Agreement or the sale, whether for tort or for breach of contract, and whether or not brought to trial or final judgment, the prevailing party will be entitled to receive from the other party a reasonable attorney fee, expert witness fees, and costs to be determined by the court or arbitrator(s).			
Keegan & Coppin C	EXPIRATION OF OFFER. This Offer will expire unless acceptance is delivered to Buyer or to Rhonda Deringer / Brian Keegan - Keegan & Coppin Co., Inc. (Buyer's Broker) on or before (date) August 10, 2017 (time) 6:00 a.m. Xp.m.			
8. COUNTERPARTS	. This Agreement may be executed in one or n	nore counterparts, each of which is deemed to be an original.		
 CONDITIONS SA satisfied according 	CONDITIONS SATISFIED/WAIVED IN WRITING. Each condition or contingency, covenant, approval or disapproval will be satisfied according to its terms or waived by written notice delivered to the other party or his or her Broker.			
this Agreement with	TIME. Time is of the essence of this Agreement; provided, however, that if either party fails to comply with any contingency in this Agreement within the time limit specified, this Agreement will not terminate until the other party delivers written notice to the defaulting party requiring compliance within 24 hours after receipt of notice. If the party receiving the notice fails to comply within the 24 hours, the non-defaulting party may terminate this Agreement without further notice.			
11. LIQUIDATED DAM	AGES. By initialing in the spaces below,			
	Buyer agrees [] Buyer	does not agree		
Pen	Buyer agrees [] Buyer] Seller agrees [] [] Seller	does not agree		
that in the event deposit set forth in existing on the discrete a similar the deposit requiland additional deposit parties under this that in case of discrete	Buyer defaults in the performance of thin Items 1-A and 1-B, and that said liquidate ate of this Agreement. In the event of addiquidated damages provision as required ired under Item 1-B or refuses to execut t, then Seller will have the option of retains Item 30 and recovering such damages from the mutual cancellation instructions are resulted.	s Agreement, Seller will retain as liquidated damages the ed damages are reasonable in view of all the circumstances ditional deposit(s) required under Item 1-B, the parties will by law. In the event that Buyer defaults and has not made the liquidated damages provision with respect to such ning the initial deposit or terminating the obligations of the om Buyer as may be allowed by law. The parties understand necessary to release funds from escrow or trust accounts.		
below the parties arbitration, unless equally between a	agree to first try in good faith to settle the dis the dispute is a matter excluded under Item	to this Agreement or its breach, by initialing in the "agree" spaces spute by voluntary mediation before resorting to court action or 33 - ARBITRATION. The fees of the mediator will be shared "agree" space and later refuses mediation, that party will not be int action.		
<u> </u>	Buyer agrees [] Buyer	does not agree		
Dac 1	Seller agrees [] [] Seller	does not agree		
this Agreement v §1200 et seq.); proceedings. If t which the proper may be made by award rendered discovery in according	will be decided by neutral binding arbitration on by court action except as prome parties cannot agree upon an arbitrate ty is located for an order compelling arbitrate first class mail, postage propaid, to the by the arbitrator may be entered in any condance with Gode of Civil Procedure §1205	v or equity arising between the Buyer and Seller out of our in accordance with the Oalifornia Arbitration Act (C.C.P. vided by Oalifornia law for judicial review of arbitration is, a party may petition the Superior Court of the county in tration and appointing an arbitrator. Service of the petition ast known address of the party served. Judgment upon the court having jurisdiction. The parties will have the right to 3.05.		
Award will be in Tentative Award controverted isset that if the heart presence of the pobjections to the oral or written as by the parties of Tentative Award.	rade by the arbitrator within 30 days followill explain the factual and legal basis ues; (c) the Tentative Award will be in writing is concluded within one (1) day, the parties. Within 15 days after the Tentative Tentative Award. Upon objections being gument, or both. If no objections are filled, a arbitrator. Within thirty (38) days after final or modify or correct the Tentative Award.	ern the making of the award by the arbitrator; (a) a Tentative lowing submission of the matter to the arbitrator; (b) the for the arbitrator's decision as to each of the principal ting unless the parties agree otherwise; provided, however, Tentative Award may be made orally at the hearing in the Award has been served or announced, any party may serve timely served, the arbitrator may call for additional evidence the Tentative Award will become final without further action the filling of objections, the arbitrator will either make the ard, which will then become final as modified or corrected.		
] and Seller [L] have rea			
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The provisions of the Gode of Civil Procedure authorizing the imposition of sanctions as a result of bad faith actions or tactics will apply to the arbitration proceedings, provided, however, that the arbitrator shall not have the power to commit errors of law, errors of legal reasoning, or rely upon unsupported findings of fact in imposing sanctions for any reason against a party or a party's attorney. In the event such error is claimed, the applicable sanctions may be vacated or corrected on appeal to a court of competent jurisdiction for any such error. A prevailing party will also be entitled to an action for malicious prosecution if the elements of such cause of action are met.

The following matters are excluded from arbitration: (a) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or real property sales contract as defined in Givil Dode §2905, (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court, bankruptcy court, or small claims court; or (e) an action for bodily injury or wrongful death. The filling of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, will not constitute a waiver of the right to arbitrate under this provision.

NOTICE: By initialing in the ["agree"] 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 ["agree"] 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 Sode of Civil Procedure. Your agreement to this arbitration provision is voluntary.

ol and understand the foregoing and agree to submit disputes arising out of the matters included

con con The	or the community of residence in ITATION OF AGENCY: A real according the legal sufficiency is sult with your attorney, according to the control of the contr	ice and ZIP Code in which he or she reside al estate broker or agent is qualified to y, legal effect, insurance, or tax conseque untant or insurance advisor.	advise on real estate. If you have any questions ences of this document or the related transactions, d and approved each of the provisions of this Offer
con	or the community of residence ITATION OF AGENCY: A real scerning the legal sufficiency is sult with your attorney, accounts.	ice and ZIP Code in which he or she reside al estate broker or agent is qualified to y, legal effect, insurance, or tax conseque untant or insurance advisor.	es. advise on real estate. If you have any questions ences of this document or the related transactions,
	or the community of residen	ice and ZIP Code in which he or she reside	es.
ИΟ.	to the public via an Intern	net Web site maintained by the Depart	specified registered sex offenders is made available ment of Justice at http://www.meganslaw.ca.gov. ude either the address at which the offender resides
36.	Addendum NoAddendum No		Addendum; Standard Sale Disclosure Addendum One; Confirmation Regarding Real Estate Agency Relationship
35.	supersedes all prior agreeme only in writing signed and da consent of Seller. Any such a	ents with respect to the property which are no ated by both parties. Buyer may not assign a assignment will be void and unenforceable.	contains the entire agreement of the parties and ot expressly set forth. This Agreement may be modified any right under this agreement without the prior written
4.	representations or warranties	s will survive the close of escrow,	this Agreement will not waive the right of any party. All
		ngrees [] [] Seller does not	District Broken
	Duyer a	agrees	t agree

Date

_] and Seller _____ 1 [CAUTION: The copyright laws of the United States forbid the unauthorized reproduction of this form by any means including

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Time

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ACCEPTANCE

Seller accepts the foregoing Offer and agrees to sell the property for the price and on the terms and conditions specified. NOTICE: The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between the Seller and Broker. 37. COMMISSION. Seller agrees to pay in cash the following real estate commission for services rendered, which commission Seller hereby irrevocably assigns to Broker(s) from escrow: 2.5% of the accepted price, or \$______, to the listing broker: Keegan & Coppin Company, and ______0% of the accepted price, or \$______, to the selling broker: _______N/A - No Broker Keegan & Coppin Company, Inc. without regard to the agency relationship. Escrow instructions with respect to commissions may not be amended or revoked without the written consent of the Broker(s). If Seller receives liquidated or other damages upon default by Buyer, Seller agrees to pay Broker(s) the lesser of the amount provided for above or one half of the damages after deducting any costs of collection, including reasonable attorney fees without prejudice to Broker's rights to recover the balance of the commission from Buyer. Commission will also be payable upon any default by Seller, or the mutual rescission by Buyer and Seller without the written consent of the Broker(s), which prevents completion of the purchase. This Agreement will not limit the rights of Broker and Seller provided for in any existing listing agreement. In any action for commission the prevailing party will be entitled to reasonable attorney fees, whether or not the action is brought to trial or final judgment. 38. PROVISIONS TO BE INITIALED. The following items must be "agreed to" by both parties to be binding on either party. In the event of disagreement, Seller should make a counter offer. Item 31. LIQUIDATED DAMAGES Item 32. MEDIATION OF DISPUTES Item 33. ARBITRATION OF DISPUTES Seller acknowledges receipt of a copy of this Agreement. Authorization is given to the Broker(s) in this transaction to deliver a signed copy to Buyer. Members \square may \square may not disclose the terms of purchase to members of a Multiple Listing Service, Board or Association of REALTORS® at close of escrow. 39. IF CHECKED ACCEPTANCE IS SUBJECT TO ATTACHED COUNTER OFFER DATED MANATING WEINER Seller _____ Seller (Signature) (Please Print Name) (Please Print Name) Information Regarding Real Estate Licensees Acting As Agents In This Transaction: BRE License # N/A - No Broker Selling Broker License # (Real Estate Agent for Buyer) _____City/State/Zip ____ Address Telephone ______ Fax _____ E-Mail Keegan & Coppin Company, Inc. BRE License # 00531022 Listing Broker _____ License # 01206401 / 01885655 Date Rhonda Deringer / Brian Keegan (Real Estate Agent for Seller) City/State/Zip Santa Rosa, CA 95401 1355 N. Dutton Avenue Address Telephone ______707-528-1400 Fax _____707-524-1419 E-Mail RDeringer/BKeegan@KeeganCoppin.com

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Note that neither the Real Estate Brokers nor the Real Estate Agents are parties to the Purchase Agreement

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PROFESSIONAL PUBLISHING LLC

between the Buyer and Seller.

ADDENDUM - "AS IS" SALE

io Agre and	ement_dated	July 14, 2017 . nert Park, a Political Sul		cerning property commonly known as
and	6250 State F		Rohnert Park, CA 94928	("Property").
sold in it Buyer ur for the re workman plumbing air condi or other of the P to the sa	s present "AS IS" of derstands and agreed a	condition except that all sets that Sellor, his or her or modification of any detection components of the structure disposal system, well eater, pools, spas, solar seriation supersedes all other relateing to destruction or the span of the serial property, and leaving properties, pool, spa, grounds	ystems shall be delivered in g agents or assigns, will not, af ficiencies, malfunctions or m ctures, improvements, or land or other water supply system systems, appliances, roof, or her provisions in the Purc on of improvements, risk of lorty free of debris and personal and landscaping) will be n	at the condition of the property, which is good working order at the Close of Escrow. Iter close of escrow, be responsible nechanical defects in the material, it, including but not limited to: heating, in, drainage or moisture conditions, foundation damage by or presence of pests, mold, chase Agreement regarding the condition coss, compliance with local laws applicable all property). However, Seller agrees the maintained and delivered to Buyer at close, if there is an inspection contingency, as
of the tir	ne the inspection co	ntingency is removed.	, mo date of ottopromet	
experts electrica	regarding all system Lappliances, sewer	is and features of the Pi is, septic system, soil co	roperty including boundary lin	obtain inspection reports from qualified nes, lot and dwelling size, roof, plumbing, air conditioning, structural components, old infestation or infection.
Seller a	grees to permit Buye	er and Buyer's represent	atives reasonable access to t	the Property to complete the inspections.
specifie unaccer conditio	d, within <u>30</u> d	ays from date of acce finds the Property acc	eptance) that the condition of ceptable. Buyer agrees to ta	fied in the purchase agreement (or, if not of the Property is either acceptable or ake the Property in its present "AS IS" le, the Buyer has the option of terminating
conditio	ns known by the Se spects. Buver agree	ller or Seller's agent an s that he or she is relyin	nd noted on any disclosure st	the condition of the Property other than tatements that have been provided. In all wn inspection and that of experts retained of the boundary lines.
of a madeliver	terial nature of which the property in a new Addendum to waive	ch the Seller is aware. I at and clean condition w any provision of the lav	This " AS IS " agreement does vith debris and personal belon	oligated by law to reveal all known defects not relieve the Seller of the obligation to agings removed. The parties do not intend the agents furnish disclosure statements, ns or reports.
Buyer_		Date	Buyer	Date
Seller_	Jeffyl-	Date 7/29	//7 Seller	Date

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PROFESSIONAL PUBLISHING LLC

STANDARD COMMERCIAL BUILDING PURCHASE CONDITIONS ADDENDUM

To Purchase Agreement by and between

Buyer <u>The City of Rohnert Park, a Political Subdivision</u> and Seller <u>Kandy Investments, LLC, a California Limited Liability Company</u> For Property located at <u>6250 State Farm Drive</u>, Rohnert Park, CA 94928

This Addendum is entered into to supplement and modify the terms of the "Standard Commercial/Investment Purchase Agreement" concurrently signed by the Buyer and Seller. Except as stated herein, the terms of that agreement remain unchanged. To the extent of any inconsistency in the terms of that agreement and this Addendum, this Addendum shall be controlling.

Buyer to diligently proceed to satisfy conditions, however, final approval or disapproval is at Buyer's sole discretion. This shall include existing information provided by Seller and other reports prepared by Buyer's experts.

Buyer shall conduct a complete feasibility and investigation of the subject property to determine if property is suitable for Buyer's intent, as a property to occupy or as an investment, including but not limited to the following:

1. This offer is subject to the following conditions precedent:

Feasibility Review for the Parcel/Property:

In order for Buyer to acquire the Parcel/Property, Buyer must perform a due diligence investigation of the Parcel/Property ("Due Diligence Review"). Buyer shall have thirty (30) days from full execution of the Purchase Agreement to perform any studies, or investigate any issues that may affect the Parcel/Property, including without limitation; a Phase 1 environmental review, physical condition, appraisal, title, at Buyer's sole cost and discretion, to satisfy themselves as to the price, title and suitability of the Parcel/Property, including the following:

- A. Physical Condition: Buyer and/or his contractor to inspect and approve the subject property with respect to its mechanical, electrical, HVAC, roof, walls, structural foundation, drainage, site improvements, utility services to building, seismic bracing, termites, hazardous waste, mold, moisture or leaks which could lead to mold, soils and general physical integrity within thirty (30) days of acceptance hereof.
- B. **Zoning:** Buyer to verify to his satisfaction, zoning, General Plan consistency, obtain a use permit if required, and zoning compliance within thirty (30) days of acceptance hereof.
- C. Size of Property and Building: Buyer to verify to his satisfaction the Property boundaries, Building floor area (square feet), and land area (acres or square feet) within thirty (30) days of acceptance hereof.
- D. Title Report: Buyer to review and approve title report including all exceptions, easements, right-of-ways, assessments and liens within thirty (30) days of acceptance hereof. Seller shall remove any exceptions which are not acceptable to the Buyer prior to close of escrow. If exception is unable to be removed at a reasonable cost and time by Seller, then Seller or Buyer may cancel contract if Buyer does not accept subject exception.
- E. **Biological Environmental Issues:** Buyer to inspect and approve issues concerning endangered species, wetlands, CTS, special status of plant species and Hydrologic conditions, if applicable within thirty (30) days of acceptance hereof.
- F. Pest Control: Buyer to obtain a pest control inspection report for any perimeter foundation or wood frame buildings or at Buyer's option for others. Buyer to review and approve said report within thirty (30) days of acceptance hereof, including infestation and preconditions.
- G. Income and Expenses: Buyer to review and approve operating profit/loss statements, financials, tax returns and all income and expenses, including taxes, insurance, utilities, maintenance, repairs, tenant reimbursement, capital outlays for the subject property for the last three (3) years within thirty (30) days of acceptance hereof.

Buyer's Initials	Seller's Initials	Kuo

- H. Standard Sale Disclosure: Buyer and Seller acknowledge attached "Standard Sale Disclosure Addendum". Buyer shall obtain and approve reports from experts in connection with any disclosure or evidence of such hazardous material or mold or any indication of mold infestation within thirty (30) days of acceptance hereof. If Buyer and Seller do not elect to share or separately pay for removal or cleanup, then this offer shall terminate.
- I. Statement of Property Conditions: Buyer to review and approve all of the items of the "Statement of Property Condition" within thirty (30) days of acceptance hereof.
- J. Property and Liability Insurance: Buyer to be able to obtain property and liability insurance for the subject property at a rate deemed to be reasonable by Buyer. Buyer to obtain a written commitment for property and liability insurance for the subject property at rates acceptable to Buyer within thirty (30) days of acceptance hereof.
- K. Natural Hazards: Buyer to review and approve the JCP Professional Report (Natural Hazards) within thirty (30) days after acceptance.
- L. Environmental Hazard Report: Buyer, at its option, to obtain and approve an environmental hazard report prepared by a professional as to the presence or past existence of hazardous substances, contaminated water or above or underground storage facilities on the subject property or surrounding properties within thirty (30) days after acceptance.
- M. Survey: Buyer, at its option, to obtain and approve a survey and topography study to determine property corners, land area and engineering feasibility of site within thirty (30) days after acceptance. Alternatively, Buyer to ascertain property boundaries and site area to his satisfaction within the same period.
- N. Appraisal: Buyer, at its option, to obtain and review an appraisal of the subject property.

If any of the above conditions are not satisfied and approved in writing or waived by the Buyer in writing in the times stipulated above, or if there is no mutually agreed upon extension, then this Agreement shall be terminated with no further liability to the Seller hereunder, and Buyer shall be refunded its \$50,000.00 deposit. If Professional Publishing form is used, strike Paragraph 30 in its entirety except "Time is of the essence of this Agreement." Paragraphs 3, 4, 7, 17, and 18 shall all be changed to within thirty (30) days of acceptance to be consistent with time frame herein. Paragraph 13 of PP form to have same time frame as paragraph 1A herein. This Addendum is precedent for time periods and conditions over the Professional Publishing printed form.

- 2. Seller to deliver to Buyer the following existing reports and information within the times stipulated below in order to facilitate Buyer's due diligence:
 - A. Statement of Property Condition completed and signed by Seller and agents and Commercial Property Owner's Guide to Earthquake Safety within seven (7) days of acceptance hereof.
 - B. A.I.R. Seller's Mandatory Disclosure (Natural Hazards) Statement or a Natural Hazards Report within seven (7) days of acceptance hereof.
 - C. All studies, approvals or reports previously obtained by Seller or in the possession of Seller including environmental studies, pest control investigations, well reports, code violations-orders, building reports, survey of property, appraisals plans, specifications, soils reports, title reports, CC&R's, Association budget, archaeological, wetlands, biotic, structural or seismic reports, entitlements, approvals, building permits, design review or use permits within seven (7) days of acceptance hereof.
 - D. Operating profit and loss statements and tax returns and support information for the last three years including capital outlays, maintenance, utilities, repairs, income, taxes and insurance itemized within seven (7) days of acceptance hereof.
 - E. Seller to provide copies of all agreements, contracts, vendor agreements, within seven (7) days of acceptance hereof.
- 3. Seller shall permit Buyer and Buyer's agents, employers, contractors with reasonable notice to enter into and upon the property to inspect property and to conduct, at Buyer's sole expense, surveys, soils, structural, environmental, building, seismic, wetlands, biotic and other investigations at Buyer's discretion to complete Buyer's due diligence.

Buyer agrees to keep property free of liens and claims a	arising out of said investi	gations and to defend	l, indemnify
and hold harmless Seller from any claims or actions arising	ng out of Buyer's inspection	on, conduct of investi	gations or
·	Buyer's Initials	Seller's Initials	140

testing of Seller's property. Buyer agrees to repair and replace and bring back to original condition and pay for any damage arising out of said inspections and expert investigations and give a copy of the reports, studies, inspection reports so obtained during the investigation to the Seller. Buyer's obligation under this paragraph shall survive any termination of this Agreement.

4. BUYER'S REPRESENTATIONS: The party executing this agreement on behalf of Buyer has full power to execute, deliver and carry out terms and provisions of this agreement and any of the other agreements, instruments and documents herein required to be made or delivered by Buyer pursuant hereto.

Buyer has not made a general assignment for benefit of creditors, filed a voluntary petition of bankruptcy, suffered the filing of creditors, a receiver, attachment or other judicial service of assets and has a sound financial standing in order to make the proposed acquisition.

5. SELLER'S REPRESENTATIONS: Seller has received no notice of and, except as disclosed in writing, to the best of Seller's knowledge, there is no violation of any local, state or federal government agency, including environmental, zoning, handicap, fire hazard, ordinance, code, regulations, rule or order. Seller has no knowledge of threatened, pending or proposed condemnation, taking proceedings or governmental actions to modify the zoning or condition, or purchase in lieu, for all or any part of property.

To the best of Seller's knowledge, there has been no release, storage or disposal of hazardous materials on the property during the pendance of Seller's ownership of the subject property except as disclosed in writing herein.

Buyer is advised by Seller to undertake a full due diligence study of the property including test, investigations, and expert reports to determine the suitability of the property for Buyer's use and determine the actual economic, physical and entitlements aspect of the property.

Seller has no knowledge of pending or threatened litigation or governmental proceedings, except as disclosed in writing herein, affecting Seller or the property that relates to the enforcement of this agreement. The consummation of this contract shall not constitute a violation or breach by Seller of any contract or instrument or will result in the violation of any law, order or regulation of any governmental authority affecting the Seller.

Seller is the owner in fee simple of property and the party signing hereto has the full right, power and authority to enter into this agreement and to execute all documents required hereto, and there are no recorded or unrecorded leases affecting the property.

Seller is not a foreign person within the meaning of Section 1445 and 7701 of the Internal Revenue Code of 1954 (IRC), i.e. The Seller is not a non-resident, alien, foreign corporation, foreign partnership, foreign trust or foreign state as those terms are defined in the IRC and income tax representation.

- 6. Seller to assign and Buyer to accept all the Seller's, right, title, interest, liabilities and obligations pertaining to the subject property prior to the close of escrow.
- 7. Seller shall convey to Buyer at close of escrow fee simple title to the property by grant deed subject to the exceptions set forth in the approval of the title report. Title shall be insured by a CLTA or at Buyer's option, an ALTA title insurance policy, ALTA at Buyer's expense.

The terms, covenants and conditions of this Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective successors, assigns, heirs and legal representatives.

All of the terms and provisions of this Agreement shall survive the close of escrow and not merge with the execution and delivery of the grant deed.

Buyer and Seller are advised to have their respective attorneys review and approve this agreement prior to signing.

AGREED BY:	
Buyer:	Date:
Seller: Roll of KAND THU. L.C.C.	Date: 7-26-17

SALE DISCLOSURE AND CONFIRMATION REGARDING REAL ESTATE AGENCY RELATIONSHIP

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. With each specific transaction, you should read the Agency Disclosure and consider how you are being represented.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller. 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 Buyer and 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 which does not involve the affirmative duties set forth above.

BUYER'S AGENT

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

To the Buyer:

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

To Buyer and 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 which does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listed price or that the Buyer will pay a price greater than the price offered.

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

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive of the Civil Code set forth on the reverse hereof. Read it carefully.

We acknowledge receipt	of a copy of this disclosure:	6	12/4 A BILL 12 20 12
Buyer	Date	Seller_ <	Date 1-26-1
Buyer	Date	Seller	Date
Agent	Date	Agent	Date
	CON	I FIRMATION O	Rhonda Deringer / Brian Keegan OF AGENCY
We authorize the followin N/A - No Broker The Buyer exc The Seller excli Both the Buyer	is the agent of: (Check one) lusively; or usively		Kcepan & Coppin Co., Inc. is the agent of: (Check one) X The Seller exclusively; or Both the Buyer and Seller
CONFIRMED AND AU	THORIZED:		CONFIRMED AND AUTHORIZED: Seller Poll Dale 7-26-17
Buyer	Date		Seller Date
Agent for Buyer N/A – No Broker Lic. #			Agent for Seller Rhonda Deringer / Brian Keegan Lie. # 01206401 / 01809537
PROPERTY ADDRES	S: 6250 State Farm Drive, Santa Rosa, G	TA 94928	

As used in Sections 2079 14 to 2079 24, inclusive, the following terms have the following meanings: 2079 13

(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 heensed as a real property transaction, and includes a person who is liceused as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions code, and under whose license a listing is executed or an offer to purchase is obtained

(b) "Associate license" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee.

The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When as associate licensee owes a duty to any principal, or to transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions

(c) "Buyer means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction, "Buyer" includes vendee or lessee,

(d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799,29.

(e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the aelier and the buyer in a real property transaction.

(f)"Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been nuthorized to sell the real property or to find or obtain a buyer

(g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation,

(h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent

(i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real properly

(j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller;

(k) real property means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business of Professions Code

(I) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase

(m) "Sell," "sale" or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of leasehold exceeding one year's duration.

(n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property or which he or she is the owner from an agent on behalf of another, "Seller" includes both a vendor and a lessor,

(o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller,

(p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5(commencing with Section 2349) of Chapter 1 of title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in real property transaction

2079.14. Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure from specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgement of receipt from that seller or buyer, except as provided in this section or Section 2079 15, as follows:

(a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement,

(b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a),

(c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller as his or her last known address, in which case no signed acknowledgement of this receipt is required.

(d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later that the next business day after the selling agent receives the offer to purchase from the buyer.

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

2079 17. (a) As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively.

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

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

is the agent of	is the agent of
(Name of Listing Agent)	(Name of Selling Agent if not the same as the Listing Agent)
(Check one)	(Check one)
() the seller exclusively; or	() the buyer exclusively; or
() both the buyer and seller	() the seller exclusively; or
, ,	() both the buyer and seller

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079 14.

2079,18. No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction,

2079,19. The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative or 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 and agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079,14 and Section 2079,17 are complied with

2079,21. A dual agent shall not disclose to buyer that the seller is willing to sell the property as a price less than the listing price, without the express written consent of the seller, A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater that the offering price, without the express written consent of the buyer This section does not alter in any way the duty of responsibility of a dual agent to any principal with respect to confidential information other than price

2079/22 Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent

2079,23. (a) 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

(b) A lender or an auction company retained by a lender to control aspects of a hansaction of real property subject to this part, including validating the sales price, shall not require, as a condition of receiving the lender's approval of the transaction, the homeowner or listing agent to defend or indemnify the lender or auction company from any liability alleged to result from the actions of the lender or auction company. Any clause, provision, covenant, or agreement purporting to impose an obligation to defend or indemnify a lender or an auction company in violation of this subdivision is against public policy, void, and unenforceable

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 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

STANDARD SALE DISCLOSURE ADDENDUM

Certified Access Specialist Disclosure

Pursuant to California Civil Code Section 1938 the subject property has _____ has not __X__ been inspected by a "Certified Access Specialist". If subject property has been inspected, the property _____ has ____ has not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53.

Notice to Owners, Buyers and Tenants Regarding Hazardous Wastes or Substances and Underground Storage Tanks

Comprehensive federal and state laws and regulations have been enacted in the last few years in an effort to develop controls over the use, storage, handling, cleanup, removal and disposal of hazardous wastes or substances. Some of these laws and regulations, such as, for example, the so-called "Super Fund Act", provide for broad liability schemes wherein an owner, tenant or other user of the property may be liable for cleanup costs and damages regardless of fault. Other laws and regulations set standards for the handling of asbestos or establish requirements for the use, modification, abandonment, or closing of underground storage tanks.

It is not practical or possible to list all such laws and regulations in this Notice. Therefore, Seller and Buyer; are urged to consult legal counsel to determine their respective rights and liabilities with respect to the issues described in this Notice as well as other aspects of the proposed transaction. If various materials that have been or may be in the future determined to be toxic, hazardous or undesirable, or are going to be used, stored, handled or disposed of on the property, or if the property has or may have underground storage tanks for storage of such hazardous materials, or that such materials may be in the equipment, improvements or soil, it is essential that legal and technical advice be obtained to determine, among other things, what permits and approvals have been or may be required, if any, the estimated costs and expenses associated with the use, storage, handling, cleanup, removal or disposal of the hazardous wastes or substances and what contractual provisions and protection are necessary or desirable. It may also be important to obtain expert assistance for site investigations and building inspections. The past uses of the property may provide valuable information as to the likelihood of hazardous wastes or substances, or underground storage tanks being on the property.

The term "hazardous wastes or substances" is used in this Notice in its very broadest sense and includes, but is not limited to, all those listed under Proposition 65, petroleum base products, paints and solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonium compounds, asbestos, PCBs and other chemical products. Hazardous wastes or substances and underground storage tanks may be present on all types of real property. This Notice is, therefore, meant to apply to any transaction involving any type of real property, whether improved or unimproved.

You should contact a professional, such as a civil engineer, geologist, industrial hygienist or other persons with experience in these matters to advise you concerning the property.

Americans with Disabilities Act (ADA)

On July 26, 1990, the federal legislation known as the Americans with Disabilities Act (ADA) was signed into law by President Bush. The purpose of the ADA is to integrate persons with disabilities into the economic and social mainstream of American life. Title III of the ADA applies to Buyers and Sellers of "places of public accommodation" and "commercial facilities", and requires that places of public accommodation undertake "readily achievable" removal of communication and access barriers to the disabled. This requirement of Title III of the ADA is effective January 26, 1992.

It is important that building owners identify and undertake "readily achievable" removal of any such barriers in the common areas, sidewalks, parking lots and other areas of the building under their control.

The Seller and Buyer are responsible for compliance with ADA relating to removal of barriers within the workplace i.e., arrangement of interior furnishings and access within the premises, and any improvements installed by lessor and lessee.

Keegan & Coppin Company, Inc. recommends that both parties seek expert advice regarding the implications of the Act as it affects this agreement.

Natural Hazards Disclosure Act:

"The property which is the subject of this contract may be situated in a Special Study Zone as designated under the Natural Hazards Disclosure Act, inclusive, of the California Public Resources Code; and, as such, the construction or development on this property of any structure for human occupancy may be subject to the findings of a geologic report prepared by a geologist registered in the State of California, unless such report is waived by the City or County under the terms of that act. No representations on the subject are made by the Seller or Agent, and the Buyer should make his own inquiry or investigation".

Flood Hazard Area Disclosure:

The subject property may be situated in a "Special Flood Hazard Area" as set forth on a Federal Emergency Management Agency (FEMA) "Flood Insurance Rate Map" (FIRM) or "Flood Hazard Boundary Map" (FHBM). The law provides that, as a condition of obtaining financing on most structures located in a "Special Floods Hazard Area", lender requires flood insurance where the property or its attachments are security for a loan. Buyer should consult with experts concerning the possible risk of flooding.

Toxic Mold Disclosure (Pursuant to the Toxic Mold Protection Act of 2001)

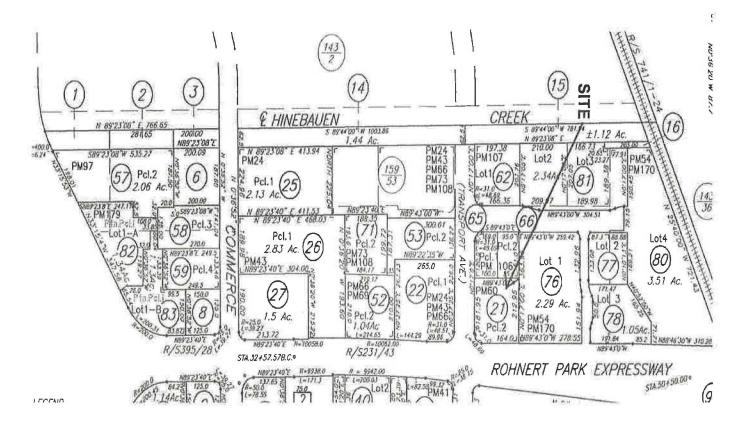
The Toxic Mold Protection Act of 2001 requires any person who sells, transfers or rents residential, commercial or industrial property to disclose if they have ACTUAL KNOWLEDGE of a mold condition on the property. The law also requires the California Department of Health Services to identify tolerable exposure limits and develop guidelines for toxic mold identification and remediation. Property owners will be required to provide a more detailed disclosure on toxic mold once the Department of Health Services develops and adopts standards for identifying, measuring and remediating toxic mold.

The Toxic Mold Protection Act of 2001 does NOT require that a property owner have their property tested for toxic mold. It also does NOT require that an agent investigate a property for toxic mold. Property owners only need to disclose any ACTUAL KNOWLEDGE of a mold condition on their property until the above mentioned guidelines are developed and approved. Buyers are advised to obtain a professional assessment of the mold condition of the subject property prior to the close of escrow.

ACKNOWLEDGED AND AGREED BY:	
Buyer:	Date:
Seller: Rolt W. Oh	Date: 7-26-17

COUNTY ASSESSOR'S PARCEL MAP

TAX RATE AREA 7-006





ADDENDUM ONE

In reference to the Purchase Agreement, covering the real property, commonly known as 6250 State Farm Drive, Rohnert Park, CA 94928, between The City of Rohnert Park, a Political Subdivision, Buyer and Kandy Investments, LLC a California Limited Liability Company, Seller, the undersigned Parties hereby agree as follows:

1) Deposit:

Upon full execution of the Purchase Agreement, Buyer will Deposit in escrow the sum of Fifty Thousand Dollars (\$50,000.00), which Deposit shall remain fully refundable to the Buyer until the end of the Due Diligence Review time, which is 30 days from the date the Purchase Agreement is executed, at which time the Deposit will become non-refundable if the Buyer waives all their conditions and shall be subject to the Liquidated Damages provision of the Purchase Agreement, or the Deposit shall be immediately returned to the Buyer if they do not waive their conditions of approval. In no event shall the Deposit be subject to the Liquidated Damages provision before the end of the Due Diligence period, during which time Buyer may terminate the agreement in its sole discretion and be refunded the Deposit, or at the end of the Due Diligence Period, if Buyer does not waive their conditions.

2) Title Insurance; Closing Costs and Escrow Fees;

Seller shall be responsible for all costs associated with the transfer of the Parcel, including, without limitation; any applicable documentary transfer taxes and recording fees for the grant deed as well as the premium for a California Land Title Association ("CLTA") Owner's standard coverage title insurance policy. Buyer shall pay for any premium cost excess for an American Land Title Association ("ALTA") Owner's standard coverage, the cost of any survey for the property being acquired by such property, and the costs of any and all additional endorsements requested or sought by such party. The escrow fee shall be shared equally between parties. Current, non-delinquent real property taxes and assessments shall be prorated for the Parcel/Property as of the date of Closing on the basis of a 30-day month. Buyer shall take title to the Property subject only to exceptions to title approved by Buyer, and the completion of the Agreement shall be conditioned upon issuance of a title policy acceptable to Buyer containing only exceptions approved in writing.

3) Entry Onto the Properties:

For a period of thirty (30) days after the full execution of the Agreement, Buyer will have the right to enter onto the Parcel/Property, upon 24 hour prior notice, to conduct such investigations of the property as deemed necessary and appropriate by Buyer. Buyer shall hold Seller harmless from and against, and indemnify the Seller for claims and liabilities arising out of such party's entry onto the property. This indemnification obligation of the parties is binding and enforceable.

4) Tax Deferred Exchange:

In the event that Seller wishes to enter into a tax deferred exchange for the property, or Buyer wishes to enter into a tax deferred exchange with respect to property owned by him or

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her in connection with this transaction, each of the parties agrees to cooperate with the other party in connection with such exchange, including the execution of such documents as may be reasonably necessary to complete the exchange; provided that: (a) the other party will not be obligated to delay the closing; (b) all additional costs in connection with the exchange will be borne by the party requesting the exchange; (c) the other party will not be obligated to execute any note, contract, deed or other document providing for any personal liability which would survive the exchange; (d) the other party will not take title to any property other than the property described in this Agreement. It is understood that a party's rights and obligations under this Agreement may be assigned to a third party intermediary to facilitate the exchange. The other party will be indemnified and held harmless against any liability which arises or is claimed to have arisen on account of the exchange.

5) Seller Disclosure:

The Manager's/Member's of the LLC (Owner/Seller) are Licensed Real Estate Brokers:

- Jeffrey Sommers: BRE #00498990 &

- Robert (Buck) Oates: BRE #00608109

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement of Sale.

BUYER The City of Rohnert Park, a Political Subdivision	DATE
SELLER Very le Jerrette auto III C a California	DATE
Kandy Investments, LLC a California Limited Liability Company	
Kallo, The veriser	7-26-17
110010010	

