

# TRANSMITTAL

To:

**THE COUNCIL**

Date: 08/11/2015

From:

**THE MAYOR**

**TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.**



(Ana Guerrero)

**ERIC GARCETTI**  
Mayor



Eric Garcetti, Mayor  
Rushmore D. Cervantes, General Manager

**Housing Development Bureau**  
1200 West 7th Street, Los Angeles, CA 90017  
tel 213.808.8638 | fax 213.808.8610  
hcidla.lacity.org

August 7, 2015

Council File: 12-0018-S1  
Council District: 1  
Contact Persons: Jennifer Ing-aram (213) 808-8969  
Mariana Lem (213) 808-8966  
Douglas Swoger (213) 808-8948  
HelmiHisserich (213) 808-8662

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 303, City Hall  
200 N. Spring Street  
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

**COUNCIL TRANSMITTAL: REQUEST FOR APPROVAL TO SELL ONE CONDOMINIUM UNIT AT 1118 VALENCIA STREET (VISTA MONTOYA CONDO)**

**SUMMARY**

The Los Angeles Housing + Community Investment Department (HCIDLA) requests approval of the sale of a City-owned residential property located at 1118 Valencia Street, Unit 208 (Property). HCIDLA requests the adoption of an ordinance to authorize the sale of the Property and authority to enter into a purchase and sale agreement with the selected purchaser.

**RECOMMENDATIONS**

The General Manager of HCIDLA respectfully requests the following:

- I. That your office schedule this transmittal for consideration at the next available meeting(s) of the appropriate Committee(s) of the City Council and forward it to the City Council for review and approval immediately thereafter;
- II. That the City Council, subject to the approval of the Mayor, take the following actions:
  - A. Adopt the ordinance to be submitted by the City Attorney effectuating the sale of 1118 Valencia Street, Unit 208;
  - B. Authorize the HCIDLA General Manager, or designee, to execute all ancillary documents required for the sale of the Property; and

- C. Authorize the HCIDLA General Manager, or designee, to deposit the net sales proceeds to the Low and Moderate Income Housing Fund 55J upon receipt of funds.

## **BACKGROUND**

In December 2012, the Mayor and Council authorized the Housing Asset Transfer Agreement authorizing HCIDLA to accept the housing assets of the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) (C.F.12-0049). As a result of the transfer of housing assets, HCIDLA accepted quitclaim deeds in May 2013 for two vacant condominium units located in the Vista Montoya condominium complex at 1118 Valencia Street, Unit 208 and 1119 Albany Street, Unit 330 in Council District 1 (Vista Montoya Properties). A parcel map of the Vista Montoya Properties is provided in Attachment A. Since acceptance of the quitclaim deeds, HCIDLA has assumed responsibility for securing, maintaining and managing the Vista Montoya Properties.

The development of the Vista Montoya condominium complex was originally sponsored by the former CRA/LA as a part of the Pico Union 1 Redevelopment Project in 1983. At that time, CRA/LA offered purchase assistance loans to low and moderate income homebuyers to acquire the condominium units as their primary residences. On July 10, 1984, the original buyer of the Property executed a second mortgage with CRA/LA in the amount of \$34,927. To maintain long-term affordability, the Vista Montoya Covenants, Conditions and Restrictions (CC&R) provided that an owner may only sell its unit to a low or moderate income household approved by CRA/LA until the later of: (1) June 25, 2015 or (2) the date on which the CRA/LA no longer has a security interest in such condominium. The Office of the City Attorney concluded that restrictions were no longer valid as of June 26, 2015 and HCIDLA is able to sell the Vista Montoya Properties to non-income restricted homebuyers and re-invest the proceeds of the sales into the Low and Moderate Income Housing Fund per California Redevelopment Law.

### **Sale of 1118 Valencia Street, Unit 208**

HCIDLA proposes to sell one of the Vista Montoya Properties. The condominium unit at 1118 Valencia Street, Unit 208 is a one bedroom and one bathroom unit, totaling 650 square feet. In 1998, the estate of the original buyer at 1118 Valencia Street, Unit 208 deeded the property to CRA/LA and the unit remained vacant for 11 years after the deed transfer. In 2009, CRA/LA renovated the condominium unit by installing a new kitchen sink, range hood and stove, dishwasher, garbage disposal, toilet, shower and carpet. Although the renovations were completed, the unit continued to remain vacant since 2009.

On April 1, 2014, HCIDLA was authorized to pursue the disposition of the Vista Montoya Properties with a City-contracted real estate broker (C.F. 12-0018-S1). HCIDLA obtained appraisals on March 3, 2015 for both condominium units to determine the Fair Market Value (Attachment B), and selected Comprehensive Real Estate Services to list the Vista Montoya Properties for sale on the Multiple Listing Service, Redfin.com, Trulia.com and Zillow.com. The listings indicated that first-time homebuyers would be preferred; and, Mortgage Credit Certificates issued by HCIDLA would be available to eligible buyers.

On July 20, 2015, a purchase and sales agreement in the amount of \$328,000 was executed between HCIDLA and the selected purchaser, Caitlin Cheng (Attachment C). The Property is currently in escrow. HCIDLA has determined that the buyer is eligible to obtain a Mortgage Credit Certificate. The City Attorney has drafted the sales ordinance, which will be submitted for approval by the Mayor and

Council under separate cover. The close of escrow is subject to the approval of the sales ordinance. Upon completion of sale, HCIDLA will return all proceeds to the Low and Moderate Income Housing Fund in accordance with California Redevelopment Law. Per Section 15378 (b)(4) of the California Code of Regulations, the recommended actions do not constitute as a project under the California Environmental Quality Act.

HCIDLA will submit a separate transmittal upon the selection of the purchaser for 1119 Albany Street, Unit 330.

### **FISCAL IMPACT STATEMENT**

There is no impact to the General Fund. The recommendations in this report will authorize HCIDLA to sell 1118 Valencia Street, Unit 208 located in Council District 1 at fair market value. The net proceeds from the sale will be re-invested to the Low and Moderate Income Housing Fund 55J in accordance with California Redevelopment Law.

Prepared by:



JENNIFER ING-ARAM  
Project Coordinator

Reviewed by:



MARIANA LEM  
Senior Project Coordinator

Reviewed by:



DOUGLAS SWOGER  
Director, Asset Management Division

Reviewed by:



HELMI HISSERICH  
Assistant General Manager

Reviewed by:



LAURA K. GUGLIELMO  
Executive Officer

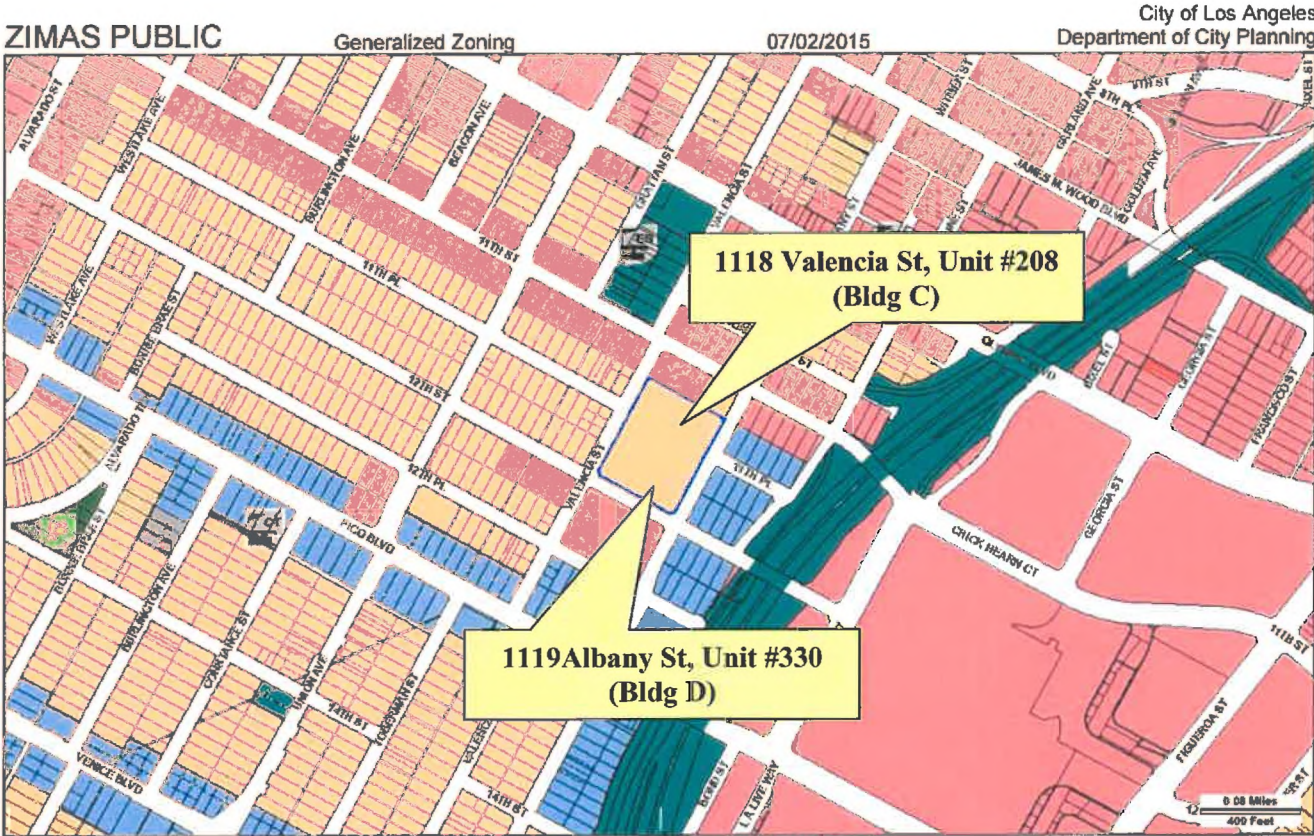
Approved by:



RUSHMORE D. CERVANTES  
General Manager

Attachment A: Parcel Map of the Properties  
Attachment B: Appraisal of 1118 Valencia Street, Unit 208  
Attachment C: Purchase and Sale Agreement

ZIMAS MAP OF VISTA MONTOYA CONDOMINIUMS



Address: 1119 Albany St.  
APN: 5137024BRK  
PIN #: 129A205 357

Tract: TR 38357  
Block: None  
Lot: CONDO LT 1 1  
Arb: None

Zoning: (Q)R4-1, R4-1  
General Plan: High Medium Residential



Streets Copyright (c) Thomas Brothers Maps, Inc.

# **ATTACHMENT B**

## **Appraisal of 1118 Valencia Street, Unit 208**

APPRAISAL OF



LOCATED AT:

1118 Valencia St #208  
Los Angeles, CA 90015

FOR:

Los Angeles Housing Dept  
1200 W 7th St, 9th Floor  
Los Angeles, CA 90017

BORROWER:

AS OF:

March 3, 2015

BY:

Hee K. Yi  
Gold Coast Appraisals, Inc.



03/17/2015

Jennifer Ing-Aram  
Los Angeles Housing Dept  
1200 W 7th St, 9th Floor  
Los Angeles, CA 90017

Dear Ms Ing-Aram:

At your request, I completed my analysis of the condominium unit identified as:

1118 Valencia St. #208  
Los Angeles, CA 90015

Regardless of who pays for the attached appraisal, it has been prepared for our clients: Jennifer Ing-Aram/Los Angeles Housing Dept . As specified by the clients, the purpose of the appraisal is to estimate market value as of March 3, 2015. The subject is currently restricted to the covenant of low income project. However, this valuation is based on "Hypothetical Condition" that the subject is not currently restricted to the covenant of low income project by the client's request. For this assignment, the improvements were viewed on March 3, 2015.

The attached Appraisal Report has been prepared in accordance with your standards as well as the reporting requirements and the Uniform Standards of Professional Appraisal Practice (USPAP). The final value reported in the attached report is the "AS IS" value as of date of value.

This appraisal may not be used or relied upon by anyone other than the above-mentioned client for any purpose whatsoever, without the express written consent of the appraiser. If the client provides anyone else with a copy of this report, such as a borrower etc., that person(s) may not be entitled to rely upon its contents when making any decisions about the property. As such the following limiting condition applies:

"Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, new, sales, or other media without the written consent and appeal of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or any reference to the Appraisal Institute or the MAI, SRA or SRPA designation. Furthermore, the appraiser or firm assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of any one, but the client, the client shall make such party(s) aware of all the assumptions and limiting conditions of the assignment."

This appraisal assignment is an Appraisal Report under Standards Rule 2-3, as defined in the Uniform Standards of Professional Appraisal Practice (USPAP) of a complete appraisal performed under Standard Rule 1 of the USPAP.

Should you have any questions regarding the analysis or conclusions of value found in the attached report please contact me.

Sincerely,



Hee K. Yi  
Gold Coast Appraisals, Inc.  
AG035644; Expires 11/16/2016

Borrower:	File No.: 15008000N
Property Address: 1118 Valencia St #208	Case No.:
City: Los Angeles	State: CA Zip: 90015
Lender: Los Angeles Housing Dept	

#### INTENDED USE

The client intends to use this report to estimate the fair market value of the property as of March 3, 2015 which is based on the "Hypothetical Condition" the subject property is not restricted to the covenant of low income project.

#### INTENDED USERS

Jennifer Ing-Aram/Los Angeles Housing Dept is the intended user of this report, but its funding partners may review the appraisal as part of their program oversight activities. For this assignment, the improvements were inspected on March 3, 2015, and the date of value is March 3, 2015.

#### TYPE OF APPRAISAL REPORT

As specified in the most current version of the Uniform Standards of Professional Appraisal Practice (USPAP), this is a Summary Appraisal Report.

#### DATE OF INSPECTION AND DATE OF REPORT

This property was viewed on March 3, 2015 and the report was written on March 17, 2015.

#### COMPETENCY PROVISION

As of the date of this assignment, Hee K. Yi meets the continuing education requirements for a Certified General Appraiser for the State of California.

#### CONFIDENTIALITY

The appraiser must be aware of, and comply with, all confidentiality and privacy laws and regulations applicable in an assignment. Disclosure of confidential information is permissible to professional peer review committees, except when such disclosure to a committee would violate applicable law or regulation. Confidential Information means information that is either identified by the client as confidential when providing it to an appraiser and that is not available from any other source; or classified as confidential or private by applicable law or regulation.

#### SCOPE OF THE APPRAISAL ASSIGNMENT

Data sources include NDC data, MLS, and appraiser's files. Whenever possible, sales were verified with the buyer, seller, real estate agent, or lender. If data could not be verified through a party involved in the transaction and the data appeared to be consistent with other data, it was used in the analysis. In all cases of data verification, I assumed that the information obtained is correct and accurate.

The appraiser viewed the interior and exterior of the property on March 3, 2015. The appraiser noted both the positive and negative external features of the property. Visual exterior deferred maintenance was also considered as well as any exterior upgrades made to the structure. The appraiser did not test the electrical components, the heating and cooling system, or the plumbing; the appraiser assumed that they were in working order unless otherwise noted by Los Angeles Housing Department Inspector. The appraiser assumed that there was no termite or dryrot damage to the interior components of the structure. The appraiser only took note of any obvious termite or dryrot damage. The appraiser did not inspect the roof, attic, or the crawl space. The appraiser assumed that these components did not suffer from any deferred maintenance. Only those characteristics of the property that are relevant to its valuation will be shown in the report.

The appraiser took exterior pictures of the subject's improvements. Pictures of upgrades and deferred maintenance items are included in the report. Scenes of the subject street are also included.

The appraiser relied on the County Assessor's information to ascertain the subject's lot size and living size areas as a guide in estimating the legally permitted square footage of the buildings residing on the lot. The appraiser also relied on the County Assessor's information in order to report the APN number and the legal description. If the client provides a title report, it is reviewed and taken into consideration with respect to easements, covenants, restrictions, and other encumbrances. The appraiser did not research the presence of such items independently. If a title report is not provided by the client, the appraiser will rely on the observation of any apparent easements or restrictions.

The appraiser viewed the neighborhood to ascertain its boundaries. The appraiser noted any positive or negative external features that may have an impact on value. The appraiser selected comparable sales data that is deemed appropriate for this assignment. Data was selected within 3-6 months from date of value. If there is insufficient data, the appraiser searched as far back as 18 months for sales. The appraiser may expand the search for data to other competing neighborhoods, but this is done only when there is insufficient data within the subject's neighborhood. The appraiser also considered listings as a possible comparable in order to reflect current market conditions. The appraiser viewed the data used in this analysis from street and took photographs of each comparable.

The appraisal problem did not warrant an intensive highest and best use study. Given the nature of the subject real estate, my conclusion of highest and best use was based on logic and observed evidence.

The Comparison Approach is the primary methodology used in estimating the value of the subject property. A GRM analysis does not provide any insight into value because residential properties in this neighborhood are purchased for owner use rather than as a rental. The Cost Approach is not considered a valid indicator by realtors, sellers or buyers. However, it is included as a test of reasonableness against the Comparison Approach.

Borrower:	File No.: 15008000N
Property Address: 1118 Valencia St #208	Case No.:
City: Los Angeles	State: CA Zip: 90015
Lender: Los Angeles Housing Dept	

**USPAP MARKET VALUE DEFINITION:**

The following market value definition supersedes the definition found in the printed form.

This appraisal has been prepared in accordance with the definition of fair market value as found in App.19-1[03/07]1378CHG-8 Appendix 19.

The price that a seller is willing to accept and a buyer is willing to pay on the open market in an arm's length transaction, whereby

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider his or her own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto;
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

**DEFINITION OF REAL ESTATE TERMS**

**FEE SIMPLE INTEREST OR ESTATE:** Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

**LEASED FEE ESTATE:** An ownership interest held by a landlord with the rights of use and occupancy conveyed by a lease to others. The rights of the lessor (leased fee owner) and the leased fee are specified by the contract terms contained within the lease.

**HYPOTHETICAL CONDITION**

The valuation is based on the "Hypothetical Condition" that the subject property is not restricted to the covenant of los income project.

**ADDITIONAL ASSUMPTIONS**

- 1)The appraiser reserves the right to amend this report if undisclosed facts are given to the appraiser after completion of this report.
- 2)The appraiser assumes no responsibility for changes in market conditions which might require a change in the appraised value.

**APPRAISER'S HISTORICAL ACTIVITY**

I have performed no (or specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

**AMERICAN WITH DISABILITIES ACT (ADA).**

This property is not designed to accommodate handicapped users.

**ENVIRONMENTAL HAZARDS EXAMPLE: LEAD BASED PAINT & ASBESTOS**

Due to the age of the building, lead based paint and or asbestos may be present. An expert should be retained to ascertain their presence. Our inspection revealed that there is no cracked or peeling paint.

**EXPOSURE AND MARKETING TIME**

If a property is properly priced, in reasonably good condition and properly marketed by a local licensed real estate agent, a realistic time on the market and exposure to the market will be 30 to 60 days.

# Individual Condominium Unit Appraisal Report File No. 15008000N

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address <b>1118 Valencia St #208</b>	Unit #	City <b>Los Angeles</b>	State <b>CA</b>	Zip Code <b>90015</b>
Borrower	Owner of Public Record <b>LA City</b>	County <b>Los Angeles</b>		
Legal Description <b>Tract No 38357 Lot 1 Condominium Unit 208; Map book 1009, Pages 89-90, City of Los Angeles, County of Los Angeles</b>				
Assessor's Parcel # <b>5137-024-927</b>	Tax Year <b>2014</b>	R.E. Taxes \$ <b>0.00</b>		
Project Name <b>N/A</b>	Phase #	Map Reference <b>634/C4</b>	Census Tract <b>2100.10</b>	
Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments \$	HOA \$ <b>272.00</b>	<input type="checkbox"/> per year <input type="checkbox"/> per month	
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)				
Assignment Type <input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)				
Lender/Client <b>Los Angeles Housing Dept</b>	Address <b>1200 W 7th St, 9th Floor</b>			
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
Report data source(s) used, offering price(s), and date(s). <b>The subject is not currently listed for sale. There are no options pending for the purchase of this site.</b>				
I <input type="checkbox"/> did <input type="checkbox"/> did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. <b>This is not a sale transaction.</b>				
Contract Price \$ _____ Date of Contract _____ Is the property seller the owner of public record? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) _____				
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, report the total dollar amount and describe the items to be paid. _____				

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics	Condominium Unit Housing Trends	Condominium Housing	Present Land Use %
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE AGE	One-Unit <b>85 %</b>
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$(000) (yrs)	2-4 Unit <b>5 %</b>
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	199 Low 5	Multi-Family <b>5 %</b>
Neighborhood Boundaries <b>101 Fwy. to the north, Alameda St. to the east, 10 Fwy to the south and Hobart Blvd. to the west.</b>		1,500 High 92	Commercial <b>5 %</b>
		600 Pred. 9	Other <b>%</b>

Neighborhood Description **This neighborhood is comprised of older single family and multi-family structures. Some of the properties have undergone renovation with new kitchens and bathrooms. Maintenance levels range from average to good with a few scattered properties that show deferred maintenance. Public transportation is available along major thoroughfares.**

Market Conditions (including support for the above conclusions) **In general the local economy has been slowly improving after a 5 year recession. Unemployment is slowly declining and the Ports of Long Beach & Los Angeles are beginning to provide employment. Tourism is continuing to increase. Real estate values had been rapidly increased from 2012 to 2013 however, they have been stable since the 4th quarter of 2014.**

Topography Level \_\_\_\_\_ Size **147,388 sq.ft.** Density **1unit per 818 sq.ft.** View **None**

Specific Zoning Classification **R4** Zoning Description **Multi-Family Dwelling**

Zoning Compliance  Legal  Legal Nonconforming - Do the zoning regulations permit rebuilding to current density?  Yes  No  
 No Zoning  Illegal (describe) \_\_\_\_\_

Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use?  Yes  No If No, describe. \_\_\_\_\_

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements—Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Water	<input checked="" type="checkbox"/>	Street	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>		Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone **X** FEMA Map # **060137/06037C/1620F** FEMA Map Date **09/26/2008**

Are the utilities and off-site improvements typical for the market area?  Yes  No If No, describe. \_\_\_\_\_

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?  Yes  No If Yes, describe. **A title report has not been reviewed for any adverse easements, encroachments, or deed restrictions. A visual inspection of the site revealed that there are typical utility easements present. No encroachments were readily observable from the public street.**

Data source(s) for project information **Public Record and the client**

Project Description  Detached  Row or Townhouse  Garden  Mid-Rise  High-Rise  Other (describe) \_\_\_\_\_

General Description	General Description	Subject Phase	If Project Completed	If Project Incomplete
# of Stories <b>Three</b>	Exterior Walls <b>Stucco</b>	# of Units <b>180</b>	# of Phases <b>1</b>	# of Planned Phases
# of Elevators <b>1 per each building</b>	Roof Surface <b>Clay tile</b>	# of Units Completed <b>180</b>	# of Units <b>180</b>	# of Planned Units
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed	Total # Parking <b>244</b>	# of Units For Sale <b>N/A</b>	# of Units for Sale <b>N/A</b>	# of Units for Sale
<input type="checkbox"/> Under Construction	Ratio (spaces/units) <b>1.36/1</b>	# of Units Sold <b>180</b>	# of Units Sold <b>180</b>	# of Units Sold
Year Built <b>1983</b>	Type <b>Underground</b>	# of Units Rented <b>N/A</b>	# of Units Rented <b>N/A</b>	# of Units Rented
Effective Age <b>25</b>	Guest Parking <b>N/A</b>	# of Owner Occupied Units <b>N/A</b>	# of Owner Occupied Units <b>N/A</b>	# of Owner Occupied Units

Project Primary Occupancy  Principal Residence  Second Home or Recreational  Tenant

Is the developer/builder in control of the Homeowners' Association (HOA)?  Yes  No

Management Group -  Homeowners' Association  Developer  Management Agent - Provide name of management company. \_\_\_\_\_

Does any single entity (the same individual, investor group, corporation, etc.) own more than 10% of the total units in the project?  Yes  No If Yes, describe **Not Available**

Was the project created by the conversion of an existing building(s) into a condominium?  Yes  No If Yes, describe the original use and the date of conversion. \_\_\_\_\_

Are the units, common elements, and recreation facilities complete (including any planned rehabilitation for a condominium conversion)?  Yes  No If No, describe \_\_\_\_\_

Is there any commercial space in the project?  Yes  No If Yes, describe and indicate the overall percentage of the commercial space. \_\_\_\_\_

**Individual Condominium Unit Appraisal Report** File No. 15008000N

Describe the condition of the project and quality of construction. The common area of subject building needs to be refurbished. The plumbing also needs to be refurbished.

---

Describe the common elements and recreational facilities. There is pool, jacuzzi, and laundry room on the site. They are in overall in average condition.

---

Are any common elements leased to or by the Homeowners' Association?  Yes  No If Yes, describe the rental terms and options. Not Available

---

Is the project subject to a ground rent?  Yes  No If Yes, \$ \_\_\_\_\_ per year (describe terms and conditions) Not Available

---

Are the parking facilities adequate for the project size and type?  Yes  No If No, describe and comment on the effect on value and marketability. \_\_\_\_\_

---

I  did  did not analyze the condominium project budget for the current year. Explain the results of the analysis of the budget (adequacy of fees, reserves, etc.), or why the analysis was not performed. \_\_\_\_\_

---

Are there any other fees (other than regular HOA charges) for the use of the project facilities?  Yes  No If Yes, report the monthly facility charges and describe. \_\_\_\_\_

---

Compared to other competitive projects of similar quality and design, the subject unit charge appears  High  Average  Low If High or Low, describe. \_\_\_\_\_

---

Are there any special or unusual characteristics of the project (based on the condominium documents, HOA meetings, or other information) known to the appraiser?  
 Yes  No If Yes, describe and explain the effect on value and marketability. \_\_\_\_\_

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Unit Charge \$ \_\_\_\_\_ per month X 12 = \$ 0.00 per year Annual assessment charge per year per square feet of gross living area = \$ 0.00  
 Utilities included in the unit monthly assessment  None  Heat  Air Conditioning  Electricity  Gas  Water  Sewer  Cable  Other (describe)  
Not Available

GENERAL DESCRIPTION	INTERIOR materials/condition	AMENITIES	Appliances	CAR STORAGE
Floor # <u>2nd</u>	Floors <u>Carpet/Tile/Good</u>	<input type="checkbox"/> Fireplace(s) # <u>None</u>	<input type="checkbox"/> Refrigerator	<input type="checkbox"/> None
# of Levels <u>One</u>	Walls <u>Painted/Good</u>	<input type="checkbox"/> Woodstove(s) # _____	<input checked="" type="checkbox"/> Range/Oven	<input type="checkbox"/> Garage <input type="checkbox"/> Covered <input type="checkbox"/> Open
Heating Type <u>Wall</u> Fuel <u>Gas</u>	Trim/Finish <u>Painted/Good</u>	<input type="checkbox"/> Deck/Patio	<input checked="" type="checkbox"/> Disp <input type="checkbox"/> Microwave	# of Cars _____
<input checked="" type="checkbox"/> Central AC <input type="checkbox"/> Individual AC	Bath Wainscot <u>Tile/Good</u>	<input checked="" type="checkbox"/> Porch/Balcony	<input checked="" type="checkbox"/> Dishwasher	<input checked="" type="checkbox"/> Assigned <input type="checkbox"/> Owned
<input type="checkbox"/> Other (describe) _____	Doors <u>Wood/Good</u>	<input type="checkbox"/> Other _____	<input type="checkbox"/> Washer/Dryer	Parking Space # <u>1</u>

Finished area above grade contains: 3 Rooms 1 Bedrooms 1 Bath(s) 648 Square Feet of Gross Living Area Above Grade

Are the heating and cooling for the individual units separately metered?  Yes  No If No, describe and comment on compatibility to other projects in the market area. \_\_\_\_\_

Additional features (special energy efficient items, etc.). None

---

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject unit is in excellent condition. According to the client, the subject was remodeled on 2008 includes new flooring, new painting, updated kitchen with new countertop, cabinets, sinks, and appliances, and updated bath with new sink, new cabinets, new bath tub. The units have never been occupied since the remodeling.

---

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No If Yes, describe \_\_\_\_\_

---

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?  Yes  No If No, describe. \_\_\_\_\_

---

I  did  did not research the sale or transfer history of the subject property and comparable sales. If not, explain \_\_\_\_\_

---

My research  did  did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.  
 Data source(s) NDC Data and Realist

My research  did  did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.  
 Data source(s) NDC Data and Realist

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer	<u>No sale within 36 months</u>	<u>06/01/2012</u>	<u>08/08/2014</u>	<u>04/25/2014</u>
Price of Prior Sale/Transfer	<u>Not Applicable</u>	<u>\$160,000</u>	<u>\$300,000</u>	<u>\$254,500</u>
Data Source(s)	<u>NDC Data and Realist</u>	<u>NDC Data and Realist</u>	<u>NDC Data and Realist</u>	<u>NDC Data and Realist</u>
Effective Date of Data Source(s)	<u>03/03/2015</u>	<u>03/03/2015</u>	<u>03/03/2015</u>	<u>03/03/2015</u>

Analysis of prior sale or transfer history of the subject property and comparable sales The history or each comparable is typical in this mature and stable neighborhood. There are still resale of foreclosure properties being released by the lenders to the general public via local realtors.

# Individual Condominium Unit Appraisal Report File No. 15008000N

There are 12 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 180,000 to \$ 620,000		There are 130 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 115,000 to \$ 587,000	
FEATURE	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2
Address and Unit #	1118 Valencia St #208	746 S. Los Angeles St. 602	315 E. 8th St. 605
Project Name and Phase	N/A	N/A	N/A
Proximity to Subject		1.5 miles	1.5 miles
Sale Price		\$ 349,000	\$ 300,000
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 471.62 sq. ft.	\$ 447.76 sq. ft.
Data Source(s)		MLS, Realist and NDC Data	MLS, Realist and NDC Data
Verification Source(s)		Mls#14-781349, Doc#1043607	Mls#OC14076536, Doc#185514
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		20% Down 80% 1st	
Date of Sale/Time		10/02/2014	
Location	Urban	Superior	-10,000
Leasehold/Fee Simple	Fee Simple	Fee Simple	
HOA Mo. Assessment	\$272.00	\$541.06	
Common Elements and Rec. Facilities	Pool, jacuzzi Elevator	Spa, Pool, Basket ball court	
Floor Location	2nd	6th	
View	None	None	
Design (Style)	Conventional	Conventional	
Quality of Construction	Average	Average	
Actual Age	31	93	
Condition	Good	Good	
Above Grade Room Count	Total Bdrms. Baths 3 1 1	Total Bdrms. Baths 3 1 1	
Gross Living Area	70.00 648 sq. ft.	740 sq. ft.	-6,400
Basement & Finished Rooms Below Grade	None	None	
Functional Utility	Average	Average	
Heating/Cooling	Wall Gas, C/Air	Wall Gas, C/Air	
Energy Efficient Items	Typical	Typical	
Garage/Carport	1 Car Covered	Similar	
Porch/Patio/Deck	Balcony	Similar	
Upgraded kit, bath	Kitchen & Bath	Kitchen & Bath	
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 16,400	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 19,000
Adjusted Sale Price of Comparables		Net Adj. -4.7% Gross Adj. 4.7% \$ 332,600	Net Adj. 6.3% Gross Adj. 8.3% \$ 319,000
			<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 4,500
			Net Adj. 1.4% Gross Adj. 8.0% \$ 324,500

Summary of Sales Comparison Approach In order to locate properties that are similar to the subject in condition, square footage, bedroom and bathroom count, the search was expanded to include sales that are at a distance greater than 1 mile. Furthermore, recent sales provide a better value indication than older sales. All the comparables have the same bedroom and bath counts as the subject. The subject only has parking lot view which is inferior to the comps which have court yard and city lights view thus adjustments were applied to Comp 2 and 4 for view amenity. The subject has updated kitchen and bath. Comp 1 is superior in location and has updated kitchen and bath. It is similar in condition. Comp 2 is inferior in condition but has superior view amenity. Comp 3 is inferior in location but superior in living size and parking. It has an updated bath. Comp 4 also inferior in location and condition but superior in view and parking. Comp 5 is superior in location and living size but superior in location. All the comparables are good value indicators but most weight is given to Comp 1 and 2 because they have the least net and gross adjustments.

Indicated Value by Sales Comparison Approach \$

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**INCOME APPROACH TO VALUE (not required by Fannie Mae)**

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ 0 Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) The Income Approach does not apply to residential properties which are primarily purchased for owner occupancy rather than for rental occupancy.

Indicated Value by: Sales Comparison Approach \$ Income Approach (if developed) \$

Comparison Approach was given most weight as it best reflects the actions of the typical buyers. The Income Approach was not considered applicable or reliable as most properties in the area are owner occupied.

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**RECONCILIATION**

This appraisal is made  "as is,"  subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed,  subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or  subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: **This value is based on "Hypothetical Condition" that he subject is not restricted to the covenant of low income project.**

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 328,000 as of **March 3, 2015**, which is the date of inspection and the effective date of this appraisal.

This report form is designed to report an appraisal of a unit in a condominium project or a condominium unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject unit, (2) inspect and analyze the condominium project, (3) inspect the neighborhood, (4) inspect each of the comparable sales from at least the street, (5) research, verify, and analyze data from reliable public and/or private sources, and (6) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).



Individual Condominium Unit Appraisal Report File No. 15008000N

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER'S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

**APPRAISER**

Signature *Hee K. Yi*  
 Name Hee K. Yi  
 Company Name Gold Coast Appraisals, Inc.  
 Company Address 10016 Pioneer Blvd., Suite 110  
Santa Fe Springs, CA 90670  
 Telephone Number (562)651-1058  
 Email Address corporate@goldcoastappraisals.com  
 Date of Signature and Report 03/17/2015  
 Effective Date of Appraisal March 3, 2015  
 State Certification # AG035644  
 or State License # \_\_\_\_\_  
 or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
 State CA  
 Expiration Date of Certification or License 11/16/2016

ADDRESS OF PROPERTY APPRAISED  
1118 Valencia St #208 Unit # \_\_\_\_\_  
Los Angeles, CA 90015

APPRAISED VALUE OF SUBJECT PROPERTY \$ 328,000

**LENDER/CLIENT**

Name \_\_\_\_\_  
 Company Name Los Angeles Housing Dept  
 Company Address 1200 W 7th St, 9th Floor  
 Email Address \_\_\_\_\_

**SUPERVISORY APPRAISER (ONLY IF REQUIRED)**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 Telephone Number \_\_\_\_\_  
 Email Address \_\_\_\_\_  
 Date of Signature \_\_\_\_\_  
 State Certification # \_\_\_\_\_  
 or State License # \_\_\_\_\_  
 State \_\_\_\_\_  
 Expiration Date of Certification or License \_\_\_\_\_

**SUBJECT PROPERTY**

- Did not inspect subject property  
 Did inspect exterior of subject property from street  
 Date of Inspection \_\_\_\_\_  
 Did inspect interior and exterior of subject property  
 Date of Inspection \_\_\_\_\_

**COMPARABLE SALES**

- Did not inspect exterior of comparable sales from street  
 Did inspect exterior of comparable sales from street  
 Date of Inspection \_\_\_\_\_

# Individual Condominium Unit Appraisal Report File No. 15008000N

FEATURE	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6		
Address and Unit #	1118 Valencia St #208	500 S. Berendo St. 413			746 S. Los Angeles St. 303					
Project Name and Phase	N/A	N/A			N/A					
Proximity to Subject		2 miles			1.5 miles					
Sale Price		\$ 299,000			\$ 330,000					
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 501.68 sq. ft.			\$ 428.57 sq. ft.			\$ 0.00 sq. ft.		
Data Source(s)		MLS, Realist and NDC Data			MLS, Realist and NDC Data					
Verification Source(s)		Mls#14-802855,Doc#771514			Mls#DW15025014,Doc#547974					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment			
Sale or Financing Concessions		33% Down		10% Down						
Date of Sale/Time		67% 1st		90% 1st						
Location	Urban	Pending		Active						
Leasehold/Fee Simple	Fee Simple		5,000		-10,000					
HOA Mo. Assessment	\$272.00	Fee Simple		Fee Simple						
Common Elements and Rec. Facilities	Pool, jacuzzi Elevator	\$211.18		\$555.00						
Floor Location	2nd	Pool, Elevator		Spa, Pool, Basketball court						
View	None	4th		3rd						
Design (Style)	Conventional	Courtyard	-3,000	None						
Quality of Construction	Average	Conventional		Conventional						
Actual Age	31	Average		Average						
Condition	Good	23		93						
Above Grade Room Count	Total Bdrms. Baths 3 1 1	Average 10,000		Average 10,000						
Gross Living Area 70.00	648 sq. ft.	5,000		5,000						
Basement & Finished Rooms Below Grade	None	3 0 1		3 0 1						
Functional Utility	Average	596 sq. ft.	3,600	770 sq. ft.	-8,500					
Heating/Cooling	Wall Gas,C/Air	None		None						
Energy Efficient Items	Typical	None		None						
Garage/Carport	1 Car Covered	Average		Average						
Porch/Patio/Deck	Balcony	2car	-2,000	Similar						
Upgraded kit ,bath	Kitchen & Bath	Balcony		Balcony						
		None	12,000	Kitchen, Bath						
Net Adjustment (Total)			\$ 30,600		\$ 3,500		\$ 0			
Adjusted Sale Price of Comparables		Net Adj. 10.2%		Net Adj. -1.1%		Net Adj. 0.0%				
		Gross Adj. 13.6%	\$ 329,600	Gross Adj. 10.2%	\$ 326,500	Gross Adj. 0.0%	\$ 0			
ITEM	SUBJECT	COMPARABLE SALE NO. 4			COMPARABLE SALE NO. 5			COMPARABLE SALE NO. 6		
Date of Prior Sale/Transfer	No sale within 36 months	No sale within 36 months			No sale within 36 months					
Price of Prior Sale/Transfer	Not Applicable	Not Applicable			Not Applicable					
Data Source(s)	NDC Data and Realist	NDC Data and Realist			NDC Data and Realist					
Effective Date of Data Source(s)	03/03/2015	03/03/2015			03/03/2015					
Summary of Sales Comparison Approach The active listings are not adjusted to reflect a negotiated sales price. On average over the past 12 months, properties have been selling at similar price of the list price.										

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower:	File No.: 15008000N	
Property Address: 1118 Valencia St #208	Case No.:	
City: Los Angeles	State: CA	Zip: 90015
Lender: Los Angeles Housing Dept		



FRONT VIEW OF  
SUBJECT PROPERTY

Appraised Date: March 3, 2015  
Appraised Value: \$ 328,000



REAR VIEW OF  
SUBJECT PROPERTY



STREET SCENE

INTERIOR PHOTOS

Borrower:	File No.: 15008000N	
Property Address: 1118 Valencia St #208	Case No.:	
City: Los Angeles	State: CA	Zip: 90015
Lender: Los Angeles Housing Dept		



Kitchen

Comment:



Living Area

Description:

Comment:



Bathroom

Description:

Comment:

INTERIOR PHOTOS

Borrower:	File No.: 15008000N	
Property Address: 1118 Valencia St #208	Case No.:	
City: Los Angeles	State: CA	Zip: 90015
Lender: Los Angeles Housing Dept		



Comment:  
Bedroom



Comment:  
Parking



Comment:  
Pool

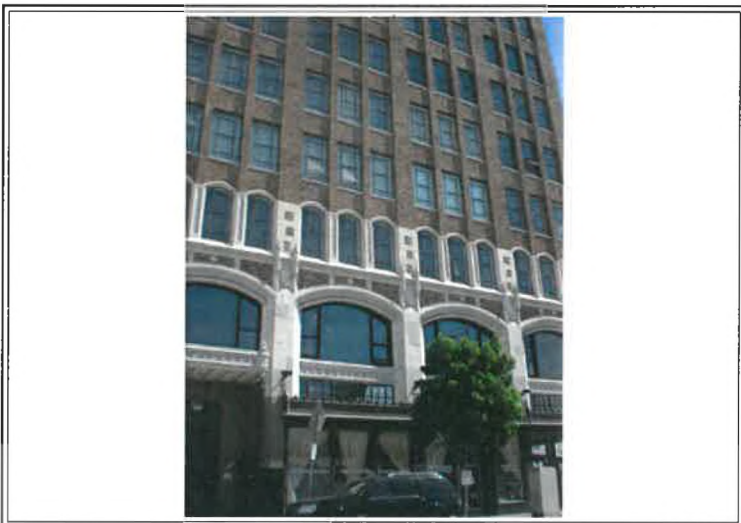
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower:	File No.: 15008000N	
Property Address: 1118 Valencia St #208	Case No.:	
City: Los Angeles	State: CA	Zip: 90015
Lender: Los Angeles Housing Dept		



COMPARABLE SALE #1

746 S. Los Angeles St.  
602  
Sale Date: 10/02/2014  
Sale Price: \$ 349,000



COMPARABLE SALE #2

315 E. 8th St.  
605  
Sale Date: 02/20/2015  
Sale Price: \$ 300,000



COMPARABLE SALE #3

500 S. Berendo St.  
215  
Sale Date: 01/13/2015  
Sale Price: \$ 320,000

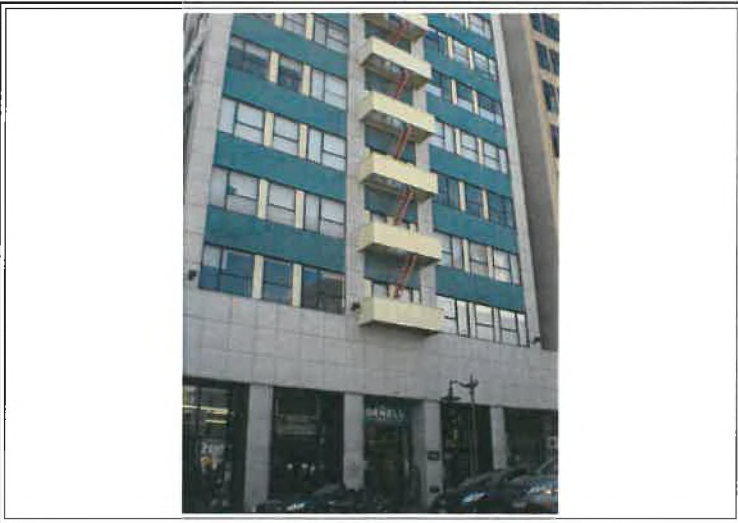
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower:	File No.: 15008000N	
Property Address: 1118 Valencia St #208	Case No.:	
City: Los Angeles	State: CA	Zip: 90015
Lender: Los Angeles Housing Dept		



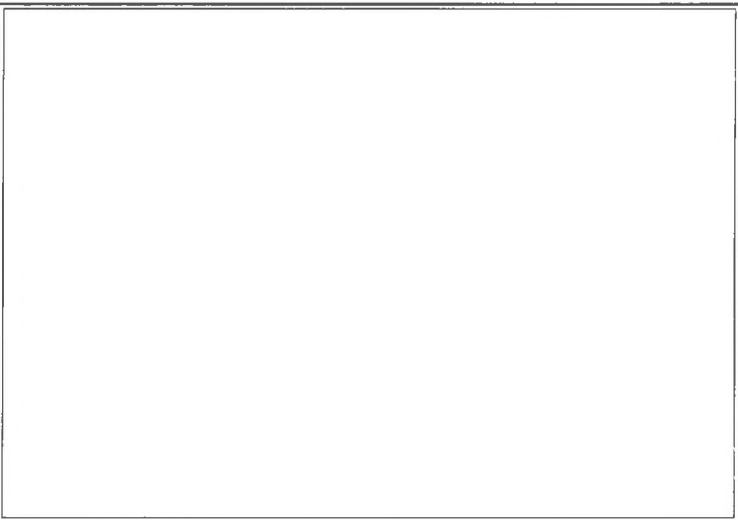
COMPARABLE SALE #4

500 S. Berendo St.  
413  
Sale Date: Pending  
Sale Price: \$ 299,000



COMPARABLE SALE #5

746 S. Los Angeles St.  
303  
Sale Date: Active  
Sale Price: \$ 330,000



COMPARABLE SALE #6

Sale Date:  
Sale Price: \$

FLOORPLAN SKETCH

Borrower:	File No.: 15008000N
Property Address: 1118 Valencia St #208	Case No.:
City: Los Angeles	State: CA Zip: 90015
Lender: Los Angeles Housing Dept	



Sketch by Apex Medina™

Comments:

AREA CALCULATIONS SUMMARY				LIVING AREA BREAKDOWN		
Code	Description	Net Size	Net Totals	Breakdown		Subtotals
GLA1	First Floor	648.0	648.0	First Floor		648.0
				24.0 x	27.0	
	Net LIVABLE Area	(rounded)	648	1 Item	(rounded)	648



PLAT MAP

Borrower:	File No.: 15008000N
Property Address: 1118 Valencia St #208	Case No.:
City: Los Angeles	State: CA
Lender: Los Angeles Housing Dept	Zip: 90015

OFFICE OF THE ASSESSOR  
 COUNTY OF LOS ANGELES  
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SEARCH NO

REVISED  
 840904410-04L  
 2/26/03 25020/0001/09

TBA

PLAT 24  
 SHEET 1 8/17/21

5137

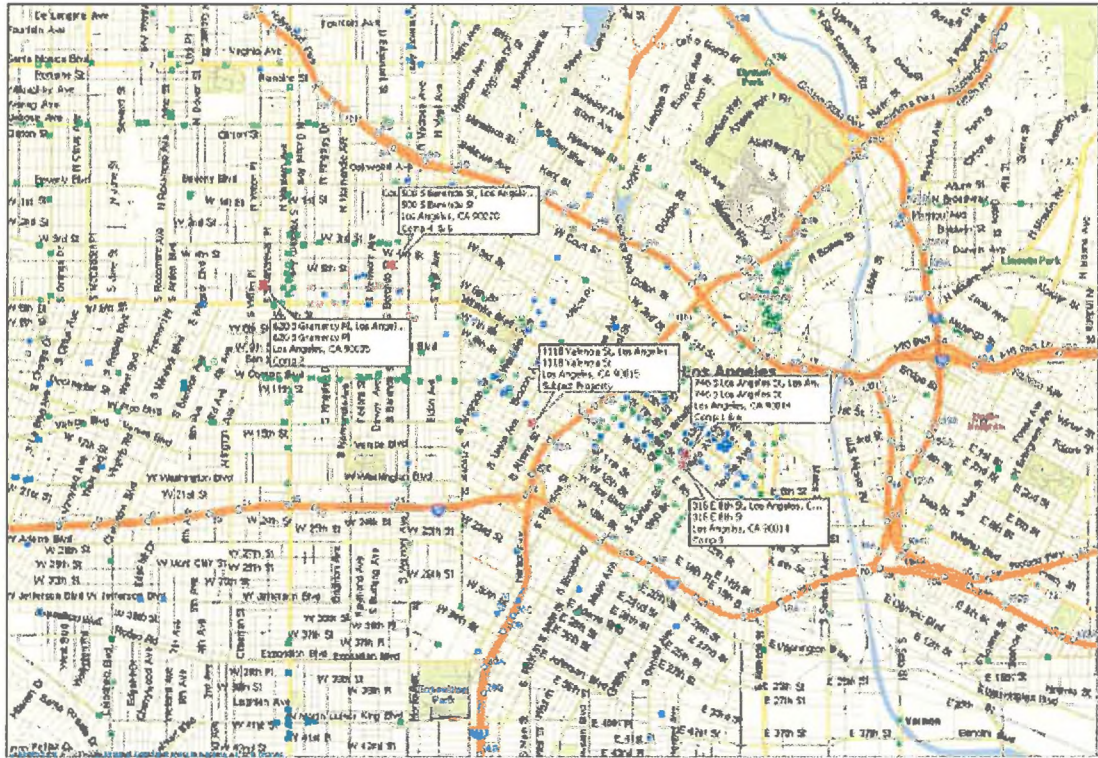
2006



MAPPING AND GIS  
 SERVICES  
 SCALE 1" = 50'

LOCATION MAP

Borrower:	File No.: 15008000N
Property Address: 1118 Valencia St #208	Case No.:
City: Los Angeles	State: CA
Lender: Los Angeles Housing Dept	Zip: 90015



\*\*\*\*\* INVOICE \*\*\*\*\*

File Number: 15008000N

03/18/2015

Jennifer Ing-Aram  
Los Angeles Housing Dept  
1200 W 7th St, 9th Floor  
Los Angeles, CA 90017

Borrower :

Invoice # : 15008000  
Order Date : 02/25/2015  
Reference/Case # :  
PO Number : WAN AP150003

1118 Valencia St #208  
Los Angeles, CA 90015

\$ 400.00  
\$

Invoice Total	\$ 400.00
State Sales Tax @ 0%	\$ 0.00
Deposit	(\$ )
Deposit	(\$ )
Amount Due	\$ 400.00

Terms: Due upon receipt

Please Make Check Payable To:

Gold Coast Appraisals, Inc.  
10016 Pioneer Blvd. Suite 110  
Santa Fe Springs, Ca 90670

Fed. I.D. #: 330461807



Subject Front View



Subject Rear View

Title



Subject Street Scene



Kitchen



Living Area



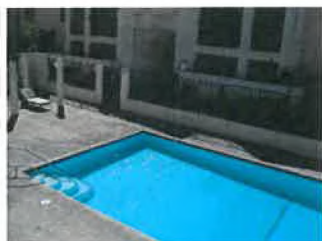
Bathroom



Interior Photo 1



Interior Photo 2



Interior Photo 3



Sales Comp. 1



Sales Comp. 2



Sales Comp. 3



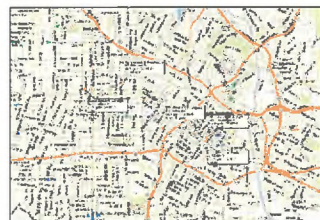
Sales Comp. 4



Sales Comp. 5



Plat Map



Location Map

Sales Comp. 6

# **ATTACHMENT C**

## **Purchase and Sale Agreement of 1118 Valencia Street, Unit 208**



CALIFORNIA  
RESIDENTIAL PURCHASE AGREEMENT  
AND JOINT ESCROW INSTRUCTIONS  
(C.A.R. Form RPA-CA, Revised 11/14)

Date Prepared: 07/07/2015

1. OFFER:

- A. THIS IS AN OFFER FROM Caitlin Chen ("Buyer").  
 B. THE REAL PROPERTY to be acquired is 1118 Valencia St #208, Los Angeles, Ca 90015, situated in Los Angeles (City), Los Angeles (County), California, 90015 (Zip Code), Assessor's Parcel No. 5137-024-927 ("Property").  
 C. THE PURCHASE PRICE offered is Three Hundred Twenty-Eight Thousand Dollars \$ 328,000.00  
 D. CLOSE OF ESCROW shall occur on  (date) or  45 Days After Acceptance).  
 E. Buyer and Seller are referred to herein as the "Parties." Brokers are not Parties to this Agreement.

2. AGENCY:

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

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

- A. INITIAL DEPOSIT: Deposit shall be in the amount of ..... \$ 4,000.00

(1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer,  cashier's check,  personal check,  other \_\_\_\_\_ within 3 business days after Acceptance (or \_\_\_\_\_);

OR (2)  Buyer Deposit with Agent: Buyer has given the deposit by personal check (or \_\_\_\_\_) to the agent submitting the offer (or to \_\_\_\_\_), made payable to \_\_\_\_\_.

The deposit shall be held uncashed until Acceptance and then deposited with Escrow Holder within 3 business days after Acceptance (or \_\_\_\_\_).  
 Deposit checks given to agent shall be an original signed check and not a copy.

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

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

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

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

D. LOAN(S):

- (1) FIRST LOAN: in the amount of ..... \$ 311,600.00

This loan will be conventional financing or  FHA,  VA,  Seller financing (C.A.R. Form SFA),  assumed financing (C.A.R. Form AFA),  Other \_\_\_\_\_. This loan shall be at a fixed rate not to exceed \_\_\_\_\_ % or,  an adjustable rate loan with initial rate not to exceed \_\_\_\_\_ %. Regardless of the type of loan, Buyer shall pay points not to exceed \_\_\_\_\_ % of the loan amount.

- (2)  SECOND LOAN in the amount of ..... \$ \_\_\_\_\_

This loan will be conventional financing or  Seller financing (C.A.R. Form SFA),  assumed financing (C.A.R. Form AFA),  Other \_\_\_\_\_. This loan shall be at a fixed rate not to exceed \_\_\_\_\_ % or,  an adjustable rate loan with initial rate not to exceed \_\_\_\_\_ %. Regardless of the type of loan, Buyer shall pay points not to exceed \_\_\_\_\_ % of the loan amount.

- (3) FHAVA: For any FHA or VA loan specified in 3D(1), Buyer has 17 (or \_\_\_\_\_) Days After Acceptance to Deliver to Seller written notice (C.A.R. Form FVA) of any lender-required repairs or costs that Buyer requests Seller to pay for or otherwise correct. Seller has no obligation to pay or satisfy lender requirements unless agreed in writing. A FHAVA amendatory clause (C.A.R. Form FVAC) shall be a part of this transaction.

E. ADDITIONAL FINANCING TERMS: \_\_\_\_\_

- F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE in the amount of ..... \$ 12,400.00  
 to be deposited with Escrow Holder pursuant to Escrow Holder Instructions.

- G. PURCHASE PRICE (TOTAL): ..... \$ 328,000.00

Buyer's Initials ( CC ) ( \_\_\_\_\_ )

Seller's Initials ( JAB ) ( \_\_\_\_\_ )

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



Property Address: 1118 Valencia St #208, Los Angeles, Ca 90015

Date: July 7, 2015

H. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS: Buyer (or Buyer's lender or loan broker pursuant to paragraph 3J(1)) shall, within 3 (or \_\_\_\_ ) Days After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing costs. (  Verification attached.)

I. APPRAISAL CONTINGENCY AND REMOVAL: This Agreement is (or  is NOT) contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the purchase price. Buyer shall, as specified in paragraph 14B(3), in writing, remove the appraisal contingency or cancel this Agreement within 17 (or \_\_\_\_ ) Days After Acceptance.

J. LOAN TERMS:

(1) LOAN APPLICATIONS: Within 3 (or \_\_\_\_ ) Days After Acceptance, Buyer shall Deliver to Seller a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in paragraph 3D. If any loan specified in paragraph 3D is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate. (  Letter attached.)

(2) LOAN CONTINGENCY: Buyer shall act diligently and in good faith to obtain the designated loan(s). Buyer's qualification for the loan(s) specified above is a contingency of this Agreement unless otherwise agreed in writing. If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan. Buyer's contractual obligations regarding deposit, balance of down payment and closing costs are not contingencies of this Agreement.

(3) LOAN CONTINGENCY REMOVAL:

Within 21 (or \_\_\_\_ ) Days After Acceptance, Buyer shall, as specified in paragraph 14, in writing, remove the loan contingency or cancel this Agreement. If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.

(4)  NO LOAN CONTINGENCY: Obtaining any loan specified above is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

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

K. BUYER STATED FINANCING: Seller is relying on Buyer's representation of the type of financing specified (including but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price and to sell to Buyer in reliance on Buyer's covenant concerning financing. Buyer shall pursue the financing specified in this Agreement. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in the Agreement and the availability of any such alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.

4. SALE OF BUYER'S PROPERTY:

A. This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer.

OR B.  This Agreement and Buyer's ability to obtain financing are contingent upon the sale of property owned by Buyer as specified in the attached addendum (C.A.R. Form COP).

5. ADDENDA AND ADVISORIES:

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

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

6. OTHER TERMS: Seller to pay for termite inspection and report

7. ALLOCATION OF COSTS

A. INSPECTIONS, REPORTS AND CERTIFICATES: Unless otherwise agreed in writing, this paragraph only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; it does not determine who is to pay for any work recommended or identified in the Report.

- (1)  Buyer  Seller shall pay for a natural hazard zone disclosure report, including tax  environmental  Other: \_\_\_\_\_ prepared by \_\_\_\_\_
- (2)  Buyer  Seller shall pay for the following Report Termite Report and Inspection/repairs if needed. prepared by \_\_\_\_\_
- (3)  Buyer  Seller shall pay for the following Report \_\_\_\_\_ prepared by \_\_\_\_\_

Buyer's Initials ( ee ) ( \_\_\_\_\_ )

Seller's Initials ( WAB ) ( \_\_\_\_\_ )



**B. GOVERNMENT REQUIREMENTS AND RETROFIT:**

- (1)  Buyer  Seller shall pay for smoke alarm and carbon monoxide device installation and water heater bracing, if required by Law. Prior to Close Of Escrow ("COE"), Seller shall provide Buyer written statement(s) of compliance in accordance with state and local Law, unless Seller is exempt.
- (2) (i)  Buyer  Seller shall pay the cost of compliance with any other minimum mandatory government inspections and reports if required as a condition of closing escrow under any Law.
- (ii)  Buyer  Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards required as a condition of closing escrow under any Law, whether the work is required to be completed before or after COE.
- (iii) Buyer shall be provided, within the time specified in paragraph 14A, a copy of any required government conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.

**C. ESCROW AND TITLE:**

- (1) (a)  Buyer  Seller shall pay escrow fee each to pay their own fees
- (b) Escrow Holder shall be \_\_\_\_\_
- (c) The Parties shall, within 5 (or \_\_\_\_\_) Days After receipt, sign and return Escrow Holder's general provisions.
- (2) (a)  Buyer  Seller shall pay for owner's title insurance policy specified in paragraph 13E \_\_\_\_\_
- (b) Owner's title policy to be issued by \_\_\_\_\_  
(Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

**D. OTHER COSTS:**

- (1)  Buyer  Seller shall pay County transfer tax or fee \_\_\_\_\_
- (2)  Buyer  Seller shall pay City transfer tax or fee \_\_\_\_\_
- (3)  Buyer  Seller shall pay Homeowners' Association ("HOA") transfer fee \_\_\_\_\_
- (4) Seller shall pay HOA fees for preparing documents required to be delivered by Civil Code §4525.
- (5)  Buyer  Seller shall pay HOA fees for preparing all documents other than those required by Civil Code §4525.
- (6) Buyer to pay for any HOA certification fee.
- (7)  Buyer  Seller shall pay for any private transfer fee if applicable \_\_\_\_\_
- (8)  Buyer  Seller shall pay for \_\_\_\_\_
- (9)  Buyer  Seller shall pay for \_\_\_\_\_
- (10)  Buyer  Seller shall pay for the cost, not to exceed \$ 450.00 \_\_\_\_\_, of a standard (or  upgraded) one-year home warranty plan, issued by \_\_\_\_\_, with the following optional coverages:  Air Conditioner  Pool/Spa  Other: \_\_\_\_\_  
Buyer is informed that home warranty plans have many optional coverages in addition to those listed above. Buyer is advised to investigate these coverages to determine those that may be suitable for Buyer.

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

**8. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:**

**A. NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the MLS, flyers or marketing materials are not included in the purchase price or excluded from the sale unless specified in paragraph 8 B or C.

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

- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water features and fountains, water softeners, water purifiers, security systems/alarms and the following if checked:  all stove(s), except \_\_\_\_\_;  all refrigerator(s) except \_\_\_\_\_;  all washer(s) and dryer(s), except \_\_\_\_\_;
- (3) The following additional items: \_\_\_\_\_
- (4) Existing integrated phone and home automation systems, including necessary components such as intranet and Internet-connected hardware or devices, control units (other than non-dedicated mobile devices, electronics and computers) and applicable software, permissions, passwords, codes and access information, are ( are NOT) included in the sale.
- (5) LEASED OR LIENED ITEMS AND SYSTEMS: Seller shall, within the time specified in paragraph 14A, (i) disclose to Buyer if any item or system specified in paragraph 8B or otherwise included in the sale is leased, or not owned by Seller, or specifically subject to a lien or other encumbrance, and (ii) Deliver to Buyer all written materials (such as lease, warranty, etc.) concerning any such item. Buyer's ability to assume any such lease, or willingness to accept the Property subject to any such lien or encumbrance, is a contingency in favor of Buyer and Seller as specified in paragraph 14B and C.
- (6) Seller represents that all items included in the purchase price, unless otherwise specified, (i) are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to 8B(4) and \_\_\_\_\_, and (ii) are transferred without Seller warranty regardless of value.

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

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

Buyer's Initials ( ll ) ( \_\_\_\_\_ )

Seller's Initials ( WAB ) ( \_\_\_\_\_ )





9. CLOSING AND POSSESSION:

- A. Buyer intends (or  does not intend) to occupy the Property as Buyer's primary residence.
- B. Seller-occupied or vacant property: Possession shall be delivered to Buyer: (i) at 6 PM or (  AM/  PM) on the date of Close Of Escrow; (ii)  no later than \_\_\_ calendar days after Close Of Escrow; or (iii)  at \_\_\_ AM/  PM on \_\_\_\_\_.
- C. Seller remaining in possession After Close Of Escrow: if Seller has the right to remain in possession after Close Of Escrow, (i) the Parties are advised to sign a separate occupancy agreement such as:  C.A.R. Form SIP, for Seller continued occupancy of less than 30 days,  C.A.R. Form RLAS for Seller continued occupancy of 30 days or more; and (ii) the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; and (iii) Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan.
- D. Tenant-occupied property: Property shall be vacant at least 5 (or \_\_\_ ) Days Prior to Close Of Escrow, unless otherwise agreed in writing. Note to Seller: If you are unable to deliver Property vacant in accordance with rent control and other applicable Law, you may be in breach of this Agreement.

OR  Tenant to remain in possession (C.A.R. Form TIP).

- E. At Close Of Escrow: Seller assigns to Buyer any assignable warranty rights for items Included in the sale; and Seller shall Deliver to Buyer available Copies of any such warranties. Brokers cannot and will not determine the assignability of any warranties.
- F. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems and Intranet and Internet-connected devices included in the purchase price, and garage door openers. If the Property is a condominium or located in a common interest subdivision, Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

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

- A. (1) Seller shall, within the time specified in paragraph 14A, Deliver to Buyer: (i) if required by Law, a fully completed: Federal Lead-Based Paint Disclosures (C.A.R. Form FLD) and pamphlet ("Lead Disclosures"); and (ii) unless exempt, fully completed disclosures or notices required by sections 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement ("TDS"), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordinance location (C.A.R. Form SPQ or SSD).
  - (2) Any Statutory Disclosure required by this paragraph is considered fully completed if Seller has answered all questions and completed and signed the Seller section(s) and the Listing Agent, if any, has completed and signed the Listing Broker section(s), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Nothing stated herein relieves a Buyer's Broker, if any, from the obligation to (i) conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose, on Section IV of the TDS, or an AVID, material facts affecting the value or desirability of the Property that were or should have been revealed by such an inspection or (ii) complete any sections on all disclosures required to be completed by Buyer's Broker.
  - (3) Note to Buyer and Seller: Waiver of Statutory and Lead Disclosures is prohibited by Law.
  - (4) Within the time specified in paragraph 14A, (i) Seller, unless exempt from the obligation to provide a TDS, shall, complete and provide Buyer with a Seller Property Questionnaire (C.A.R. Form SPQ); (ii) If Seller is not required to provide a TDS, Seller shall complete and provide Buyer with a Supplemental Contractual and Statutory Disclosure (C.A.R. Form SSD)
  - (5) Buyer shall, within the time specified in paragraph 14B(1), return Signed Copies of the Statutory, Lead and other disclosures to Seller.
  - (6) In the event Seller or Listing Broker, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer, Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware, or which are disclosed in reports provided to or obtained by Buyer or ordered and paid for by Buyer.
  - (7) If any disclosure or notice specified in paragraph 10A(1), or subsequent or amended disclosure or notice is Delivered to Buyer after the offer is Signed, Buyer shall have the right to cancel this Agreement within 3 Days After Delivery in person, or 5 Days After Delivery by deposit in the mail, by giving written notice of cancellation to Seller or Seller's agent.
- B. NATURAL AND ENVIRONMENTAL HAZARD DISCLOSURES AND OTHER BOOKLETS: Within the time specified in paragraph 14A, Seller shall, if required by Law: (i) Deliver to Buyer earthquake guide(s) (and questionnaire), environmental hazards booklet, and home energy rating pamphlet; (ii) disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; and Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- C. WITHHOLDING TAXES: Within the time specified in paragraph 14A, to avoid required withholding, Seller shall Deliver to Buyer or qualified substitute, an affidavit sufficient to comply with federal (FIRPTA) and California withholding Law (C.A.R. Form AS or QS).
- D. MEGAN'S LAW DATABASE DISCLOSURE: Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](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 are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)
- E. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES: This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.

Buyer's Initials ( cc ) ( \_\_\_\_\_ )  
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Seller's Initials ( NAB ) ( \_\_\_\_\_ )



**F. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**

(1) **SELLER HAS: 7 (or \_\_\_ ) Days After Acceptance** to disclose to Buyer if the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form SPQ or SSD).

(2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has **3 (or \_\_\_ ) Days After Acceptance** to request from the HOA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 14B(3). The Party specified in paragraph 7, as directed by escrow, shall deposit funds into escrow or direct to HOA or management company to pay for any of the above.

**11. CONDITION OF PROPERTY:** Unless otherwise agreed in writing: (i) the Property is sold (a) "AS-IS" in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation rights; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and (iii) all debris and personal property not included in the sale shall be removed by Close Of Escrow.

A. Seller shall, within the time specified in paragraph 14A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, and make any and all other disclosures required by law.

B. Buyer has the right to conduct Buyer Investigations of the Property and, as specified in paragraph 14B, based upon information discovered in those investigations: (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.

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

**12. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**

A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 14B. Within the time specified in paragraph 14B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to, the right to: (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2); (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property including the availability and cost of flood and fire insurance; (v) review and seek approval of leases that may need to be assumed by Buyer; and (vi) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA). Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations except for minimally invasive testing required to prepare a Pest Control Report; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.

B. Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 14B, complete Buyer Investigations and either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all such investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.

C. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer.

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

**13. TITLE AND VESTING:**

A. Within the time specified in paragraph 14, Buyer shall be provided a current preliminary title report ("Preliminary Report"). The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the Preliminary Report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 14B. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities. Seller shall within 7 Days After Acceptance, give Escrow Holder a completed Statement of Information.

B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record (which Seller is obligated to pay off) unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.

C. Within the time specified in paragraph 14A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.

D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.

Buyer's Initials ( ee ) ( \_\_\_\_\_ )  
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Seller's Initials ( MB ) ( \_\_\_\_\_ )



**CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 5 OF 10)**

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Date: July 7, 2015

E. Buyer shall receive a CLTA/ALTA "Homeowner's Policy of Title Insurance", if applicable to the type of property and buyer. If not, Escrow Holder shall notify Buyer. A title company can provide information about the availability, coverage, and cost of other title policies and endorsements. If the Homeowner's Policy is not available, Buyer shall choose another policy, instruct Escrow Holder in writing and shall pay any increase in cost.

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

A. **SELLER HAS: 7 (or \_\_\_) Days After Acceptance** to Deliver to Buyer all Reports, disclosures and Information for which Seller is responsible under paragraphs 5, 6, 7, 8B(4), 10A, B, C, and F, 11A and 13A. If, by the time specified, Seller has not Delivered any such item, Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement.

B. (1) **BUYER HAS: 17 (or \_\_\_) Days After Acceptance**, unless otherwise agreed in writing, to:

(I) complete all Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to paragraph 8B(5), and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (II) Deliver to Seller Signed Copies of Statutory and Lead Disclosures and other disclosures Delivered by Seller in accordance with paragraph 10A.

(2) Within the time specified in paragraph 14B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to (C.A.R. Form RRRR) Buyer's requests.

(3) By the end of the time specified in paragraph 14B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller a removal of the applicable contingency or cancellation (C.A.R. Form CR or CC) of this Agreement. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in paragraph 14A, then Buyer has 5 (or \_\_\_) Days After Delivery of any such items, or the time specified in paragraph 14B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.

(4) **Continuation of Contingency:** Even after the end of the time specified in paragraph 14B(1) and before Seller cancels, if at all, pursuant to paragraph 14C, 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 14C(1).

C. **SELLER RIGHT TO CANCEL:**

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

(2) **Seller right to Cancel; Buyer Contract Obligations:** Seller, after first delivering to Buyer a NBP, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3A, or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a notice of FHA or VA costs or terms as required by paragraph 3D(3) (C.A.R. Form FVA); (iii) Deliver a letter as required by paragraph 3J(1); (iv) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by paragraph 3C or 3H; (v) In writing assume or accept leases or liens specified in 8B5; (vi) Return Statutory and Lead Disclosures as required by paragraph 10A(5); or (vii) Sign or Initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 21B; or (viii) Provide evidence of authority to sign in a representative capacity as specified in paragraph 19. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.

D. **NOTICE TO BUYER OR SELLER TO PERFORM:** The NBP or NSP shall: (i) be in writing; (ii) be signed by the applicable Buyer or Seller; and (iii) give the other Party at least 2 (or \_\_\_) Days After Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP or NSP may not be Delivered any earlier than 2 Days Prior to the expiration of the applicable time for the other Party to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 14.

E. **EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES:** If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in writing, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.

F. **CLOSE OF ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a demand to close escrow (C.A.R. Form DCE). The DCE shall: (i) be signed by the applicable Buyer or Seller; and (ii) give the other Party at least 3 (or \_\_\_) Days After Delivery to close escrow. A DCE may not be Delivered any earlier than 3 Days Prior to the scheduled close of escrow.

G. **EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Except as specified below, release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. If either Party fails to execute mutual instructions to cancel escrow, one Party may make a written demand to Escrow Holder for the deposit. (C.A.R. Form BDRD or SDRD). Escrow Holder, upon receipt, shall promptly deliver notice of the demand to the other Party. If, within 10 Days After Escrow Holder's notice, the other Party does not object to the demand, Escrow Holder shall disburse the deposit to the Party making the demand. If Escrow Holder complies with the preceding process, each Party shall be deemed to have released Escrow Holder from any and all claims or liability related to the disbursement of the deposit. Escrow Holder, at its discretion, may nonetheless require mutual cancellation instructions. A Party may be subject to a civil penalty of up to \$1,000 for refusal to sign cancellation instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).

**15. FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final verification of the Property within 5 (or \_\_\_) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 11; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).

Buyer's Initials ( CC ) ( \_\_\_\_\_ )  
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Seller's Initials ( MS ) ( \_\_\_\_\_ )



**CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 6 OF 10)**

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Date: July 7, 2015

16. **REPAIRS:** Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain invoices and paid receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.
17. **PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.
18. **BROKERS:**
- A. **COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.
- B. **SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.
19. **REPRESENTATIVE CAPACITY:** If one or more Parties is signing this Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 31 or 32 and attach a Representative Capacity Signature Disclosure (C.A.R. Form RCSD). Wherever the signature or initials of the representative identified in the RCSD appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Party acting in a representative capacity (i) represents that the entity for which that party is acting already exists and (ii) shall Deliver to the other Party and Escrow Holder, within 3 Days After Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code §18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).
20. **JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**
- A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3, 4B, 5A, 6, 7, 10C, 13, 14G, 17, 18A, 19, 20, 26, 29, 30, 31, 32 and paragraph D of the section titled Real Estate Brokers on page 10. If a Copy of the separate compensation agreement(s) provided for in paragraph 18A, or paragraph D of the section titled Real Estate Brokers on page 10 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute such provisions within the time specified in paragraph 7C(1)(c). To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional Instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within 3 (or \_\_\_ ) Days, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by paragraphs 7, 10 or elsewhere in this Agreement.
- B. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days After Acceptance (or \_\_\_\_\_ ). Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title company when received from Seller. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 10C, Escrow Holder shall deliver to Buyer a Qualified Substitute statement that complies with federal Law.
- C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 18A and paragraph D of the section titled Real Estate Brokers on page 10. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 18A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.

Buyer's Initials ( cc ) ( \_\_\_\_\_ )  
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Seller's Initials ( WAB ) ( \_\_\_\_\_ )



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- D. Upon receipt, Escrow Holder shall provide Seller and Seller's Broker verification of Buyer's deposit of funds pursuant to paragraph 3A and 3B. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers: (I) if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (II) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- E. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.

**21. REMEDIES FOR BUYER'S BREACH OF CONTRACT:**

- A. Any clause added by the Parties specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase in violation of this Agreement shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.
- B. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the purchase price. Any excess shall be returned to Buyer. Except as provided in paragraph 14G, release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. **AT THE TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R. FORM RID).**

Buyer's Initials EE / \_\_\_\_\_

Seller's Initials WBS / \_\_\_\_\_

**22. DISPUTE RESOLUTION:**

- A. **MEDIATION:** The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action through the C.A.R. Real Estate Mediation Center for Consumers ([www.consumermediation.org](http://www.consumermediation.org)) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Broker(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. Mediation fees, if any, shall be divided equally among the Parties involved. If, for any dispute or claim to which this paragraph applies, any Party (I) commences an action without first attempting to resolve the matter through mediation, or (II) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. **THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED. Exclusions from this mediation agreement are specified in paragraph 22C.**
- B. **ARBITRATION OF DISPUTES:**

The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Broker(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of residential real estate Law experience, unless the parties mutually agree to a different arbitrator. The Parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Enforcement of this agreement to arbitrate shall be governed by the Federal Arbitration Act. Exclusions from this arbitration agreement are specified in paragraph 22C.

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

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

Buyer's Initials EE / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:**

- (1) **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2986; (II) an unlawful detainer action; and (III) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court.
- (2) **PRESERVATION OF ACTIONS:** The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (II) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies; or (III) the filing of a mechanic's lien.
- (3) **BROKERS:** Brokers shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Broker(s) participating in mediation or arbitration shall not be deemed a party to this Agreement.

Buyer's Initials ( EE ) ( \_\_\_\_\_ )

Seller's Initials ( WBS ) ( \_\_\_\_\_ )

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- 23. **SELECTION OF SERVICE PROVIDERS:** Brokers do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Broker or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.
- 24. **MULTIPLE LISTING SERVICE ("MLS"):** Brokers are authorized to report to the MLS a pending sale and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS.
- 25. **ATTORNEY FEES:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 22A.
- 26. **ASSIGNMENT:** Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless otherwise agreed in writing by Seller. (C.A.R. Form AOA),
- 27. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
- 28. **TERMS AND CONDITIONS OF OFFER:**

This is an offer to purchase the Property on the above terms and conditions. The liquidated damages paragraph or the arbitration of disputes paragraph is incorporated in this Agreement if initiated by all Parties or if incorporated by mutual agreement in a counter offer or addendum. If at least one but not all Parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.


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

30. **DEFINITIONS:** As used in this Agreement:

- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a Party and is delivered to and personally received by the other Party or that Party's authorized agent in accordance with the terms of this offer or a final counter offer.
- B. "Agreement" means this document and any counter offers and any incorporated addenda, collectively forming the binding agreement between the Parties. Addenda are incorporated only when Signed by all Parties.
- C. "C.A.R. Form" means the most current version of the specific form referenced or another comparable form agreed to by the parties.
- D. "Close Of Escrow", including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded.
- E. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.
- F. "Days" means calendar days. However, after Acceptance, the last Day for performance of any act required by this Agreement (including Close Of Escrow) shall not include any Saturday, Sunday, or legal holiday and shall instead be the next Day.
- G. "Days After" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 PM on the final day.
- H. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.
- I. "Deliver", "Delivered" or "Delivery", unless otherwise specified in writing, means and shall be effective upon: personal receipt by Buyer or Seller or the individual Real Estate Licensee for that principal as specified in the section titled Real Estate Brokers on page 10, regardless of the method used (i.e., messenger, mail, email, fax, other).
- J. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
- K. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
- L. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
- M. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.

- 31. **EXPIRATION OF OFFER:** This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by \_\_\_\_\_, who is authorized to receive it, by 5:00 PM on the third Day after this offer is signed by Buyer (or by  AM/  PM, on \_\_\_\_\_ (date)).

One or more Buyers is signing this Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD) for additional terms.

Date \_\_\_\_\_ BUYER Caitlin Chen  07/08/2015 3:12:05  
 (Print name) Caitlin Chen

Date 07/07/2015 BUYER \_\_\_\_\_  
 (Print name) \_\_\_\_\_

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

Seller's Initials ( JAB ) ( \_\_\_\_\_ )



Property Address: 1118 Valencia St #208, Los Angeles, Ca 90015

Date: July 7, 2015

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

X (If checked) SELLER'S ACCEPTANCE IS SUBJECT TO ATTACHED COUNTER OFFER (C.A.R. Form SCO or SMCO) DATED: July 16, 2015

One or more Sellers is signing this Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD) for additional terms.

Date 7/16/15 SELLER [Signature] (Print name) City of Los Angeles

Date SELLER (Print name)

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

( / ) (Do not initial if making a counter offer.) CONFIRMATION OF ACCEPTANCE: A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) at AM/ PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

REAL ESTATE BROKERS:

- A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
B. Agency relationships are confirmed as stated in paragraph 2.
C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.
D. COOPERATING BROKER COMPENSATION: Listing Broker agrees to pay Cooperating Broker (Selling Firm) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow, the amount specified in the MLS, provided Cooperating Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS.

Real Estate Broker (Selling Firm) The Real Estate Consultants CalBRE Lic. # 00950880
By Daria Stakely, Daria Stakely CalBRE Lic. # 01833404 Date
Address 7151 W. Manchester Ave 2nd Floor City Los Angeles State Ca Zip 90045
Telephone (562)392-0668 Fax (310)846-1452 E-mail daria.stakely@gmail.com

Real Estate Broker (Listing Firm) Comprehensive Real Estate Services CalBRE Lic. # 01042206
By Michael Andrew Fischer, Michael Andrew Fischer CalBRE Lic. # 01042206 Date
Address 13657 Wilshire Blvd Suite 801 City Justin State CA Zip 92780
Telephone (714)309-3665 Fax (714)677-4000 E-mail michael@comprehensive-realestate.com

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, a deposit in the amount of \$ ), counter offer numbers Seller's Statement of information and and agrees to act as Escrow Holder subject to paragraph 20 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

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

Escrow Holder By Escrow # Date

Address Phone/Fax/E-mail

Escrow Holder has the following license number # Department of Business Oversight, Department of Insurance, Bureau of Real Estate.

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

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

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Buyer's Acknowledge that page 10 is part of this Agreement ( ) ( )

Reviewed by Broker or Designee

