

**CITY COUNCIL MEETING
TUESDAY, OCTOBER 2, 2018**

**DOCUMENTS RECEIVED
AFTER PUBLISHED AGENDA**

ITEM #4 CONS 18-671

**APPROVAL OF PARKSIDE HEIGHTS TRACT 8233
FINAL MAP CREATING NINETY-SEVEN LOTS
FOR SINGLE-FAMILY RESIDENCES AND
COMMON USE LOTS SUBSTANTIALLY
CONFORMING TO ITS CITY APPROVED
VESTING TENTATIVE MAP AND PLANNED
DEVELOPMENT PLAN ON A 10.68-ACRE
SITE LOCATED AT THE SOUTH-EAST CORNER
OF 2ND STREET AND WALPERT STREET; PULTE
HOMES (APPLICANT/SUBDIVIDER)**

JACKSON TIDUS LETTER

October 2, 2018

Direct Dial: 949.851.7607
Email: gpowers@jacksontidus.law
Reply to: Irvine Office
File No: 2294-00263

VIA HAND DELIVERY

Hon. Mayor and City Council
City of Hayward
777 B Street
Hayward, CA 94541

Re: Parkside Heights Final Map Tract No. 8233 – Pulte Homes

Dear Mayor and City Council:

We represent Pulte Homes (“Pulte”), the applicant for approval of Final Tract Map No. 8233 (“Final Map”) on the October 2, 2018 City Council agenda (Item No. 4 on the Consent Calendar). It has come to our attention that this is the second time Pulte has been required to seek approval from the City Council of its Final Map for the Parkside Heights project because the City Council continued the hearing at its last meeting based on a few comments raised by local residents. Pulte is concerned that the City Council may consider continuing this item again at its October 2nd meeting. It is important for you to know that so long as the City Engineer has found that the Final Map substantially conforms to the tentative tract map, the City Council has a **ministerial and mandatory duty to approval Pulte’s Final Map**, and no further findings are required for Final Map approval. (Gov. Code, § 66474.1; *Youngblood v. Board of Supervisors* (1978) 22 Cal.3d 644; *Anthony v. Snyder (Barratt Am.)* (2004) 116 Cal.App.4th 643.)

Once the City Engineer has examined the Final Map and determined it to be in conformance with the tentative map, and has determined that that Final Map is correct, the City Council must then approve the Final Map. (Gov. Code, § 66442, subd. (a).) It is abundantly clear in the October 2, 2018 Staff Report to the City Council, as well as the accompanying draft Resolution of Approval for the Final Map, that the City Engineer has indeed made these findings. (See, for example, Staff Report p. 1, “Summary” section, draft Resolution, p. 1, third recital.) Further, it is clear that none of the findings for denial of a final map under Government Code section 66474 are present here, especially given the extra concessions Pulte has agreed to with respect to the concerns raised by the two neighbors at the last City Council meeting (as further described in the “Discussion” section of the October 2nd Staff Report).

Irvine Office
2030 Main Street, 12th Floor
Irvine, California 92614
t 949.752.8585 f
949.752.0597

Westlake Village Office
2815 Townsgate Road, Suite
200
Westlake Village, California
91361
t 805.230.0023 f
805.230.0087

www.jacksontidus.law

Hon. Mayor and City Council
City of Hayward
October 2, 2018
Page 2

More importantly, however, the City Council **must approve the Final Map on October 2, 2018, because state law only allows for one continuance for Final Map approvals.** (Gov. Code, 66458, subd. (a).) Further, “If the legislative body does not approve or disapprove the map within the prescribed time [under Government Code section 66458] ... and the map conforms to all requirements and rulings, **it shall be deemed approved, and the Clerk of the legislative body shall certify or state its approval thereon.**” (*Id.*, at subd. (b) [emphasis added].)

Thank you in advance for your prompt attention to this matter. If you have any questions, please contact us.¹

Sincerely,



Gregory P. Powers, Esq.

cc: Kelly McAdoo, City Manager (Kelly.McAdoo@hayward-ca.gov)
Michael Lawson, City Attorney (Michael.Lawson@hayward-ca.gov)

¹ We request that this letter be included in the administrative record for the Parkside Heights project.

ITEM #7 LB 18-050

**APPROPRIATION AND ALLOCATION OF \$28.6
MILLION OF THE CITY OF HAYWARD'S
AFFORDABLE HOUSING FUNDS AND MEASURE
A1 BASE ALLOCATION TO SUPPORT THE
DEVELOPMENT OF 259 UNITS OF
AFFORDABLE HOUSING**

EMAIL FROM META HOUSING

From: Christina Morales
Sent: Tuesday, October 2, 2018 6:03 PM
To: Miriam Lens
Cc: Roxanne Epstein; Jennifer Ott
Subject: Letter to the Mayor and Council
Attachments: Hayward Mission - City Council letter 10.2.18.pdf

I received a letter directed to the Mayor and City Council regarding tonight's funding awards for affordable housing. Let me know if you need me to print copies for the meeting.

Christina Morales | Housing Division Manager
Phone: 510.583.4243 | Email: Christina.Morales@hayward-ca.gov

From: Jennifer Ott
Sent: Tuesday, October 2, 2018 5:41 PM
To: Christina Morales <Christina.Morales@hayward-ca.gov>
Subject: Re: Advocating for your project

We should give it to Miriam for distribution . I don't think you need to read but you may mention it. Lets chat at the meeting.

Jen

Sent from my iPhone

On Oct 2, 2018, at 5:33 PM, Christina Morales <Christina.Morales@hayward-ca.gov> wrote:

Attached is a letter from META address to the City Council. Should I have them send it to the City Council distribution list and then just reference at the meeting or should I read it at the meeting?

Christina Morales | Housing Division Manager
Phone: 510.583.4243 | Email: Christina.Morales@hayward-ca.gov

From: Ross Ferrera <>
Sent: Tuesday, October 2, 2018 5:21 PM
To: Christina Morales <Christina.Morales@hayward-ca.gov>
Subject: RE: Advocating for your project

Hi Christina,

Here you go. As you are presenting to Council I prepared a letter.

I will check in tomorrow to see how things went.

Thanks,
Ross

Brian "Ross" Ferrera
Vice President / Director of Operations
META HOUSING CORPORATION
11150 West Olympic Blvd Suite 620
Los Angeles, CA 90064
T. (310) 575-3543 ext. 130
F. (310) 575-3563
Email:
Website: www.metahousing.com



Meta Housing Corporation

Date: October 2, 2018

From: Meta Housing Corporation – Hayward Mission Apartments

Subject: Appropriation and Allocation of \$28.6 Million of the City of Hayward's Affordable Housing Funds and Measure A1 Base Allocation

To: Mayor Halliday and City Council

Meta Housing Corporation would like to thank the City of Hayward, Mayor Halliday, and City Council for the opportunity to apply for funding in response to the NOFA released on April 30, 2018. We value the goals set forth by the City to fund projects that provide a diverse mix of units and prioritize housing for Hayward's most vulnerable residents, those with special needs and/or homeless. We feel that Hayward Mission Apartments met the goals and directives set forth in the NOFA Guidelines released in April by offering 121 units of 100% affordable housing ranging from 20% to 80% AMIs, including 30 special needs housing units with wrap around services, and an on-site child care facility to the City.

If the City Council decides to vote to approve the alternative funding recommendation proposed by staff based on prioritizing workforce housing, special needs units, and rank, Meta Housing would graciously accept that decision.

That being said, however, Meta Housing Corporation understands the challenges the City faced in trying to recommend as many projects as possible under Alameda County's Measure A1 guidelines, along with prioritizing solutions to house those who are most vulnerable, our homeless. We respect the recommendation from staff to fund 2595 Depot Road (as presented in the October 2, 2018, City Council agenda item). Meta hopes to work with the City on future housing opportunities to further those goals and objectives we all strive to fulfill in building affordable housing.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ross Ferrera', written in a cursive style.

Ross Ferrera

Vice President – Meta Housing Corporation

AGENDA QUESTIONS & ANSWERS

Items 2 and 7

From: Miriam Lens
Sent: Tuesday, October 2, 2018 2:40 PM
To: Al Mendall; Barbara Halliday; Elisa Marquez; Francisco Zermeno; Mark Salinas; Marvin Peixoto; Sara Lamnin
Cc: Adam Kostrzak; Alex Ameri; Chuck Finnie; Dustin Claussen; Garrett Contreras; Jane Light; Jennifer Ott; Kelly McAdoo; Laura Simpson; Maria Hurtado; Mark Koller; Michael Lawson; Miriam Lens; Nina Morris Collins; Todd Rullman; Roxanne Epstein; Denise Chan; Colleen Kamai; Rosalinda Romero; Emiliano Perez; Kristoffer Bondoc
Subject: City Council Meeting: 10/2/18 Questions and Answers for Items 2 and 7
Attachments: 2018-10-02 MCC Q&A.pdf

Mayor and Council Members,

Attached is the Agenda Questions and Answers for Item No. 2 and Item No. 7 on tonight's Council agenda.

Regards,

Miriam Lens
City Clerk
City of Hayward | 777 B Street | Hayward, CA 94541
☎ Phone: 510.583.4401 | Fax: 510-583-3636 | * Email: miriam.lens@hayward-ca.gov



From: Colleen Kamai
Sent: Tuesday, October 2, 2018 2:18 PM
To: Miriam Lens <Miriam.Lens@hayward-ca.gov>
Cc: Roxanne Epstein <Roxanne.Epstein@hayward-ca.gov>
Subject: MCC Q & A 2018-10-02

Hello Miriam,

The City Manager has approved the attached MCC Q&A's for distribution for tonight's meeting.

Thank you,
Colleen

Colleen Kamai | Executive Assistant
City of Hayward | Office of the Mayor & City Council
777 B St., 4th Floor | Hayward, Ca 94541
ph. 510-583-4340 | fax 510-583-3601
colleen.kamai@hayward-ca.gov



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AGENDA QUESTIONS & ANSWERS

MEETING DATE: October 2, 2018

Item #2: Authorization for the City Manager to Negotiate and Execute a Professional Services Agreement with New City America for Establishing the Downtown Hayward Community Benefit District Non-Profit Management Corporation Interim Administration in an Amount Not to Exceed \$30,000

I thought the request from Council was for the next step to be an RFP process? I understand the urgency of trying to get the corporation set up, but I think there needs to be a different company doing the work.

The scope of this contract is to formally establish the CBD non-profit management corporation and its governing board and committee structure. Once this board is established, they will draft and solicit proposals through an RFP for the management of the District. This RFP will be drafted and managed by the interim board, not City staff. Stacey Bristow has volunteered to serve on the interim board and will share your concerns about New City America with the Board during the RFP process, should they submit a proposal.

Item # 7: Appropriation and Allocation of \$28.6 Million of the City of Hayward's Affordable Housing Funds and Measure A1 Base Allocation to Support the Development of 259 Units of Affordable Housing.

Why is the cost per unit so high on all four of these proposed projects?

Due to similar concern regarding the cost to develop affordable housing, the California Department of Housing and Community Development (HCD) conducted the California Affordable Housing Cost Study in 2014. The report concluded that there were multiple factors on the state, local, and developer level that could influence cost yet cautioned that implementing some cost saving measures can have trade-offs. For example, on the development level, building to lower quality and building standards on the front end will increase maintenance and repair costs on the back end, making affordable housing more expensive to maintain in the long run. Sustainability features also increase development costs but reduce cost and energy consumption long term.

Most affordable housing projects receive funding from a variety of sources, including local government, state government, private financing, and private investors. Each entity that contributes to the project will have its associated fees and costs that it recovers from the project. Additionally, local development requirements such as state or federal wage requirements and, project labor agreements, local hire requirements, and apprenticeship requirements increase construction costs. Per the Measure A1 Rental Housing Development Fund Policies, projects will be subject to federal or state prevailing wage laws, local employment requirements, contracting with local businesses requirements, and if the project has 80 units or more, project labor agreements. These requirements will provide additional community benefit but also increase project costs. Additionally, lenders including private lenders and government lenders may require capitalized reserves for projects that target vulnerable populations to mitigate risk of default. For projects that serve extremely vulnerable populations and produce insufficient revenue to cover operation costs, a large capitalized operating reserve can be used to generate revenue to cover the projects operating costs. Due to the reserve, the project can provide extensive supportive services which requires more staff.

ITEM #8 LB 18-050

**APPROPRIATION AND ALLOCATION OF \$28.6
MILLION OF THE CITY OF HAYWARD'S
AFFORDABLE HOUSING FUNDS AND MEASURE
A1 BASE ALLOCATION TO SUPPORT THE
DEVELOPMENT OF 259 UNITS OF
AFFORDABLE HOUSING**

ATTACHMENT II UPDATED



DATE: October 2, 2018
TO: Mayor and City Council
FROM: City Manager
SUBJECT Work Session Item No. 8 (WS 18-035): Corrected Table (Attachment II)

The accompanying document replaced Attachment II of the staff report for agenda item no. 8 (WS 18-035) for the October 2, 2018 meeting of City Council. An error in this information was identified after publication of the agenda packet on September 28, 2018.

Prepared and Recommended by: Dustin Claussen, Director of Finance

Approved by:

Kelly McAdoo, City Manager

**Measure C
20-Year Financial Forecast**

Updated October 2018

Measure C 20-Year Financial Forecast																				
Year Ref. Fiscal Year	1 FY 2015	2 FY 2016	3 FY 2017	4 FY 2018	5 FY 2019	6 FY 2020*	7 FY 2021*	8 FY 2022*	9 FY 2023*	10 FY 2024*	11 FY 2025*	12 FY 2026*	13 FY 2027*	14 FY 2028*	15 FY 2029*	16 FY 2030*	17 FY 2031*	18 FY 2032*	19 FY 2033*	20 FY 2034*
Revenues																				
Measure C	8,090,470	13,436,227	14,189,607	15,154,973	15,187,504	15,656,252	16,117,581	16,579,210	17,040,238	17,501,667	17,851,700	18,208,734	18,572,909	18,944,367	19,323,255	19,709,720	20,103,914	20,505,992	20,916,112	21,334,434
Bond Issuance		65,789,797																		
Other Partnering Contributors					10,000,000	10,000,000														
Total Revenues	8,090,470	79,226,024	14,189,607	15,154,973	25,187,504	25,656,252	16,117,581	16,579,210	17,040,238	17,501,667	17,851,700	18,208,734	18,572,909	18,944,367	19,323,255	19,709,720	20,103,914	20,505,992	20,916,112	21,334,434
Expenditures																				
Capital Expenditures																				
Library/Learning Center		10,607,338	17,372,241	16,217,628	17,282,372															
Fire Facilities Design		930,859	1,285,242	686,008																
Fire Station 1			358,293	766,707																
Fire Station 2			587,183	2,060,513																
Fire Station 3			472,826	1,902,173																
Fire Station 4			114,900	2,083,700																
Fire Station 5			75,973	1,774,027																
Fire Station 6			681,043	5,981,992	3,500,000	2,500,000														
Fire Training Academy					25,187,000	23,500,000														
Street Rehabilitation		490,845	10,554,232	954,923						2,000,000									2,000,000	
Street Slurry Seal									4,000,000	1,000,000										
Police Building Rehab				15,000	300,000					1,000,000	4,000,000			4,000,000	4,000,000	4,000,000				
Other Projects																				
Subtotal	-	12,029,042	31,501,932	32,442,670	46,269,372	26,000,000	-	-	4,000,000	4,000,000	4,000,000	-	4,000,000	4,000,000	4,000,000	-	-	2,000,000	-	-
Operating Expenditures																				
Police Services		569,836	1,793,135	1,935,133	2,686,402	2,874,450	3,075,662	3,290,958	3,521,325	3,767,818	4,031,565	4,313,775	4,615,739	4,938,841	5,284,559	5,654,478	6,050,292	6,473,812	6,926,979	7,411,868
Maintenance Services	205,969	708,249	601,999	610,926	794,524	850,141	909,651	973,326	1,041,459	1,114,361	1,192,366	1,275,832	1,365,140	1,460,700	1,562,949	1,672,355	1,789,420	1,914,680	2,048,707	2,192,117
Subtotal	205,969	1,278,084	2,395,134	2,546,059	3,480,926	3,724,591	3,985,312	4,264,284	4,562,784	4,882,179	5,223,931	5,589,606	5,980,879	6,399,540	6,847,508	7,326,834	7,839,712	8,388,492	8,975,687	9,603,985
Debt Service Expenditures																				
		2,326,436	2,859,637	2,730,688	5,426,563	5,424,813	5,420,938	5,419,563	5,415,313	5,407,938	5,425,488	5,419,188	5,436,938	5,434,838	5,434,063	5,426,800	5,424,913	5,420,657	5,379,350	5,372,350
Total Expenditures	205,969	15,633,562	36,756,704	37,719,417	55,176,861	35,149,403	9,406,250	9,683,847	13,978,096	14,290,116	14,649,419	11,008,794	15,417,816	15,834,378	16,281,571	12,753,634	13,264,625	15,809,149	14,355,037	14,976,335
Annual Cash Flow	7,884,501	63,592,462	(22,567,097)	(22,564,444)	(29,989,357)	(9,493,151)	6,711,331	6,895,363	3,062,142	3,211,551	3,202,282	7,199,940	3,155,093	3,109,989	3,041,684	6,956,086	6,839,289	4,696,844	6,561,076	6,358,100
Cumulative Fund Balance	7,884,501	71,476,963	48,909,867	26,345,423	(3,643,934)	(13,137,086)	(6,425,754)	469,609	3,531,751	6,743,301	9,945,583	17,145,523	20,300,616	23,410,605	26,452,289	33,408,375	40,247,664	44,944,508	51,505,583	57,863,683

*The amounts identified for capital projects in future fiscal years of this projection are conceptual only and have not been approved or appropriated. Appropriation and allocation of these funds will occur annually with adoption of the City's Operating and Capital budgets.

PUBLIC COMMENT

KATE TURNEY

PUBLIC COMMENTS

Tuesday, October 2, 2018

Kate Turney, HHG-representative

10-2-18

To: Mayor Halliday and Hayward City Council

The 3-29-17 AMCG Market Study commissioned by the Airport Staff is a sham.

Sources cited in the study are Google Map, Google Earth Survey, Online U.S. Census, U.S. Bureau of Labor Statistics, The Hayward Airport Master Plan and unidentified "CDs" and something called "Master Record 5010."

Numbers have no sourcing and disagree with the actual numbers provided to HHG by managers of the airports used for the study's comparisons.

Computations used in the study are not included.

HHG Conclusion: The 2017 AMCG study uses and misuses information readily available online to any school child. The writer did not bother to fact check information with actual airports used for comparison. The writer did not even bother to proofread his own writing. For example, he recommends that small T-hangars pay \$3,000.00 per month. The report is padded with unrelated material which does not figure into the comparisons.

The AMCG Study 3-29-17 would not receive a passing grade in a Junior High School research class.

Stakeholders would like our money back:

- \$10,000 for the study itself
- \$100,000 for last year's 10% rent hike based on it
- \$110,000 total from our pockets for a sham report

As of 8-29-18, Airport staff admitted in a public meeting of stakeholders that they (staff) had not yet read the report - even though a year and five months had passed and stakeholders were by then out \$110,000 based on the report's recommendations.

As of 10-2-18, Airport staff has not yet given stakeholders the raw data and methods used in the 3-29-17 report, although they had promised to on 8-29-18 and again on 9-25-18.

This is not professional behavior. We appeal to the City Council for relief.

PUBLIC COMMENT

JERRY TURNEY

Public Comments

Hayward Hangar Group

Tuesday, September 25, 2018

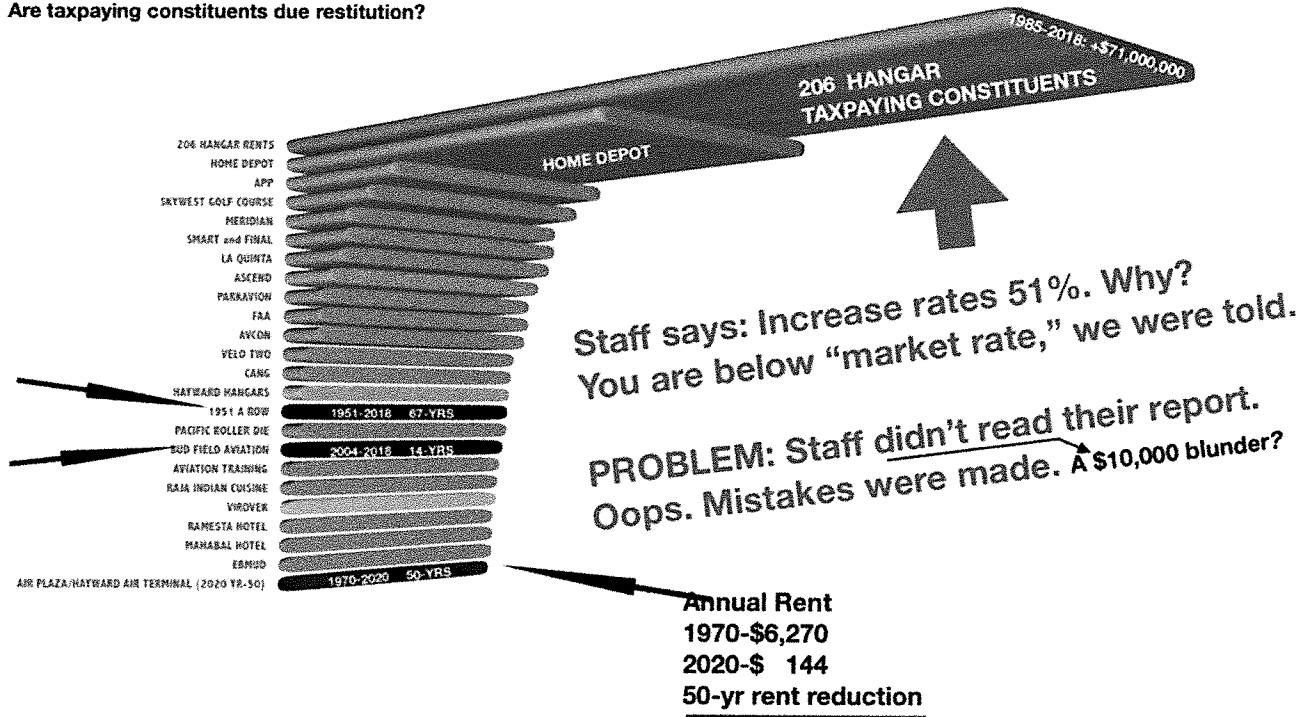
Jerry Turney-HEA 1963-2029+

INTRODUCTION

We pay more than our fair share, and WE ARE GREEN!

BLUNDER BUST

Are taxpaying constituents due restitution?



Public Comments

Hayward Hangar Group

Tuesday, September 25, 2018

Jerry Turney-HEA 1963-2029+

HHG TALKING POINTS-

- Rent study update data review, 3-requests-no reply
- Staff report re “tenant demand” (?) for Phase II administration building
- HHG Phase II administration building recommendation
- HHG accepts staff 2020 & 2022 1.8% rent increase (for the 4th time)-no staff reply
- HHG-Finance Supervisor meeting-complete/meeting issues resolved

Public Comments

Hayward Hangar Group

Tuesday, September 25, 2018

Jerry Turney-HEA 1963-2029+

EXHIBIT 1

HHG continues to offer to meet with staff-no
reply as of 10/2/2018

~*~*~

PWD Mr Ameri said (CCTV 9/25/2018)

1. We have received all of the *background information* for the report (*2017 rent study*). We are in the process of reviewing it...It appears that all of the information that was provided is correct...*(it is not.)*
2. But, we want to double check, triple check (*This odd; the report was written 18-months ago.*) before we meet with the group, for the 7th time (*8th time*), about this issue (*the 2nd of five annual 10% rent hikes*) with the group to explain all aspects of the report (*we asked 4x for a copy of the "background information" with no reply from staff*) to them and..
3. hopefully workout something that is going to be acceptable to them (*We accept the staff's airport operating budget which projects 1.8% rate hikes in 2020 and 2022. For the 4th time, we accept!*) before we comeback before the council.

Mayor Halliday: Okay, so we don't have exactly those things...meet with them (*HHG*) before it comes back to us?

PWD: That is correct.

MH: Alright. Thank you all.

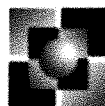
Public Comments

Hayward Hangar Group

Tuesday, September 25, 2018

Jerry Turney-HEA 1963-2029+

EXHIBIT 1.1 Mistakes were made.



Aviation Management Consulting Group

RANGE

BASE RATE?!

RENTAL RATE SUMMARY

1. Small T-Hangar

The results of the study indicate that the average rental rates for a Small T-Hangar range from \$219.24 pu/mo at national airports to \$380.45 pu/mo at competitive airports. The average rental rate at comparable airports was \$239.71 pu/mo and \$252.06 pu/mo at regional airports.

Predicated on this analysis, a base rental rate of \$3000.00 pu/mo was derived.

Utilizing the base rental rate and predicated on adjustments (as appropriate) for access, amenities, and condition, the following rental rate conclusions derived are outlined in Table 9 – Small T-Hangar Conclusions Summary.

EXHIBIT 1.2

12 Airports, a National Comparison

170 Hayward (HWD) Standard Hangar (83%) Comparison @\$374 per/mo

1. Henderson	\$0.0	No Standard Hangars	← Compared to what?
2. N. Las Vegas	\$0.0	No Standard Hangars 2010-D.McNeeley, AM	← Compared to what?
3. Martin State	\$212		
4. St Louis	\$230		
5. Georgetown	\$230		
6. Ohio St	\$265		
7. Naples	\$279	median \$272 Avco	← Market rate
8. Gwinett	\$300		
9. Camarillo	\$330		
10. McKinney	\$398	+38% median Hayward \$374	← +38% Market rate
11. Chicago	\$482		
12. Buchanan CCR	\$545	3- standard hangars: 170-HWD-weighted average, \$377	

EXCLUSION: Livermore LVK

\$384 69-standard hangars) excluded from comparison

Public Comments Hayward Hangar Group

Tuesday, September 25, 2018 erry Turney-HEA 1963-2029+

EXHIBIT 2



Staff will soon report on "tenant demand" for a Phase II Administration Building.

- No tenant survey was taken to determine "demand."
- 3,000sqft space for 3 commercial offices, and
- the building cost could come to \$3M-\$4M
- The cost of construction would be financed through the Capital Improvement Fund (CIP).
- 23-sources of rent today create \$950,000 a year for the CIP.
- Phase II Administration building may demand 5-yrs of 10% for rent hikes to provide the \$150,000 for nearly 26-yrs.

~*~*~

HHG recommendation

- Staff follow past-practice and terminate the 50-yr lease for the Hayward Air Terminal-HAT/HAP.
- Staff terminated California Airway's 50-yr lease nearly 20-yrs ago. Today, a new hotel construction is underway on the former California Airway land-lease property. In the near future, the hotel is expected to generate about \$200,000 a year for the Airport Operating Budget.

~*~*~

SIZE MATTERS

- HAT/HAP building is 52,320sqft of office space
- The lease includes 32,000sqft of airplane tie-down space
- The cost of the airport taking over of HAT/HAP is zero.
- Modification/updates would cost a fraction of the cost of a new 3,000sqft Administration rental building's estimated \$3M-\$4M.

LEASE TERMINATION ADVANTAGES

- The office building comes with Hesperian Blvd off-street location comes with ample parking
- 52,000sqft office building and 32,000sqft tie-down space offers room for an airport restaurant with car and airplane parking
- The office building makes possible a U.S.Customs Office which includes arrival aircraft parking all at minimal building expense.

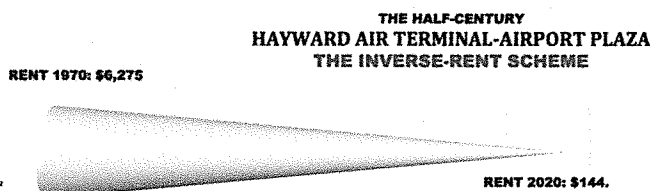
WHAT'S NOT TO LIKE

Hike light aircraft hangar rents \$150K a year to pay for a 3,000sqft, or

Let the 50-yr land lease expire allowing the airport to capture 52,000sqft of office space for next to nothing.

The HAT/HAP annual rent-enigma for half a century

scheme has been an airport



Public Comments Hayward Hangar Group

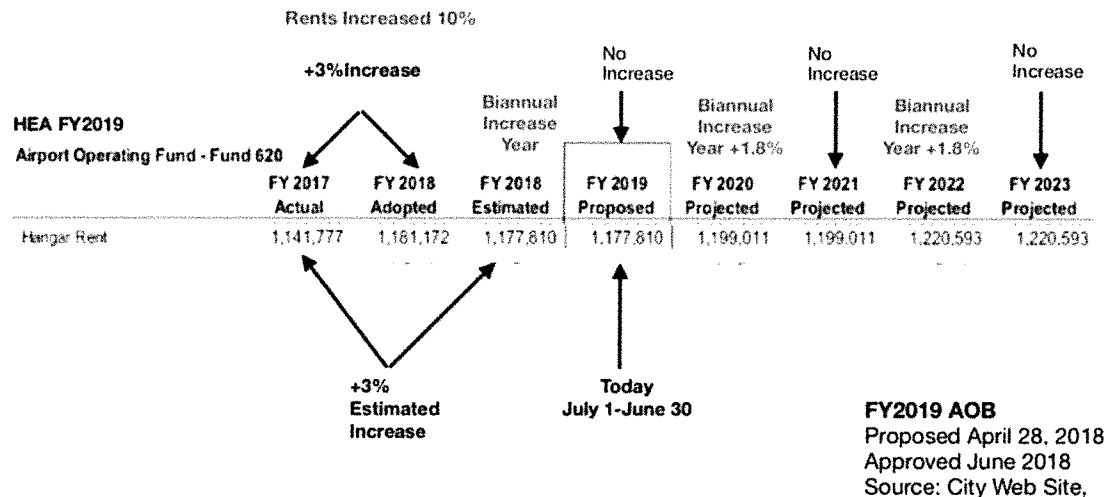
Tuesday, September 25, 2018 Jerry Turney-HEA 1963-2029+

EXHIBIT 3

- The Airport Operating Budget projects from FY2018-FY2023.
- The budget is balanced.
- Rents are increased biennially
- Rates to increase IAW CPI estimated for 2020 and 2022 @ 1.8%
- For the 5th time, Hayward Hangar Group accepts the staff's FY2019 rent projections-no reply to date from staff.

Staff Report: FY2019 Airport Operating Budget (AOB)

HHG Report: Annotated FY2019 AOB-hangar rents



PUBLIC COMMENT

KIM HUGGETT



33RD
ANNUAL

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**BUSINESS
EXPO**



**WEDNESDAY
OCTOBER 10, 2018
4:30 - 7:30 P.M.**

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EXHIBITOR APPLICATION

WEDNESDAY, OCTOBER 10, 2018

Organization Name: _____

Contact Name: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

Table \$265 Members \$425 Non-Members
(check one)

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- | | |
|--|---|
| <input type="checkbox"/> Gold \$500 <ul style="list-style-type: none">• VIP Reception• Premier booth location• Company name on all welcome banners displayed at the event• Logo on all Print and Web advertising | <input type="checkbox"/> Silver \$450 <ul style="list-style-type: none">• VIP Reception• Premier booth location• Logo on all Print and Web advertising |
|--|---|

Method of payment: Visa Mastercard AmEx Check

Card # _____ Exp: _____

Billing Address: _____ CC: _____

Will your exhibit require electricity? Yes No

Deliver, fax, e-mail, or mail your completed application with payment by Sept. 21, 2018 to the Hayward Chamber of Commerce, 22561 Main St., Hayward, CA 94541. Fax: 510-940-0153

PUBLIC COMMENT

TROY MINOR

PRESENTATION to the CITY COUNCIL OF HAYWARD
REQUEST FOR PRIVATE, INDIVIDUAL PURCHASE
[in the 238 Bypass Corridor] of **25672 Maitland Drive**
by Troy S. Minor and Gail A. Minor
October 2, 2018

To whom it may concern. DEAR MAYOR, COUNCIL MEMBERS, AND CITY MANAGER:

SUBJECT - Purchase of 25672 Maitland Drive, Hayward, CA 94542

Request and offer is hereby made for the private, individual purchase at this time of 25672 Maitland Drive, Hayward, CA 94542, a single family residence (MAITLAND), by Troy S. Minor and Gail A. Minor, husband and wife, as buyers (Troy and Gail). The subject property is located within 238 Bypass Corridor Project, Project properties currently under the ownership of the City of Hayward (HAYWARD), and California Department of Transportation (CalTrans) conditional controls on Project property sales, all under agreements between such two agencies who have been and are working under various ongoing agency decisions and civil and administrative settlements regarding those 238 Bypass Corridor Project properties, collectively AGREEMENTS.

Troy and Gail present to HAYWARD, concurrently with this position paper, a standard CAR form residential purchase agreement, unsigned and filled out with features but without purchase price, (no) agency disclosure, and pictures - for immediate negotiation of sale of MAITLAND to Troy and Gail - with the purchase price to be negotiated with HAYWARD in light of: 1) the guidelines for purchase under AGREEMENTS **and** 2) the specific circumstances relevant to Troy and Gail presented, and as may be supplementally documented as requested.

Troy is a licensed California real estate broker, acting only as principal here except as to subject property valve; Troy has been at relevant times and is a California licensed general contractor.

As a matter of reference, certain HAYWARD City Council members and staff recently toured Project properties including along Maitland Drive, including MAITLAND. A month earlier, an inspector inspected MAITLAND, upstairs and down, for habitability (passed only having to replace one smoke detector); Troy, the sole remaining CalTrans lessee, was present.

FAMILY PERSONAL & SUBJECT PROPERTY RELATED BACKGROUND

Gail's brother / Troy's brother in law, Robert Pacca, lived at MAITLAND as his primary residence for 44 years, including under CalTrans lease as lessee from lease inception, until a few months ago - a long time HAYWARD bus driver, now retired and forced to leave Hayward to find a place for him and his spouse to live. Troy and Gail, the "Minors", have lived at MAITLAND since 1982-3, Troy and Gail under the CalTrans lease from 1986 - Troy as primary residence lessee continuous to the present, Gail as lessee continuously until July-August 2018, though not her primary residence the last 7 years, physically living elsewhere, and Troy's and Gail's three 3 daughters growing up at MAITLAND, in the Hayward Schools District, the oldest then on to UC Berkeley, Stanford for masters, middle daughter to UCLA, and youngest currently at UC Davis.

Troy today remains the lessee at MAITLAND, as his primary residence, under CalTrans lease.

Troy has been and is a general contractor and in later years predominately a real estate broker

given his health history. Gail is a long time employee of the local telephone company. Troy and Gail have just become grandparents for the first time.

Troy in a leadership role has volunteered for projects in Hayward School District, and for many years involved in a local men's group in leadership and one-on-one assistance. We also have great neighbor families [Anthony's, Kevin's, Ruby's, Lucy's, etc.] who look out for each other.

In the summer of 2000, Troy was diagnosed with stage 4 cancer and everything changed; life was turned upside down; of course there was family stress; from then to the present Troy has had multiple cancers and gap periods; recently, Troy has been diagnosed with COPD. Under treatment, Troy may again be a Stanford poster child for healing; he does not quit.

SUBJECT PROPERTY LEASE CIRCUMSTANCES & CHRONOLOGY

Following is review of our relationship with MAITLAND landlords - CalTrans and HAYWARD - under CalTrans lease and AGREEMENTS, including chronology of events, that all support our right to purchase MAITLAND. Note the early capital improvements made by Troy to the downstairs, which made it a second (granny) living unit. **CalTrans was well aware of such improvements, but its property manager consistently refused to recognize the improvements / second living unit status - claiming a liability concern, despite also knowing Troy was a licensed general contractor when making improvements.**

1982-3 When Troy and Gail first moved in to MAITLAND we lived upstairs until Troy designed, manufactured, and installed the existing kitchen downstairs. No one was living downstairs.

1984 Downstairs (improvements) - Troy never compensated for.

Troy installed the kitchen - all cabinets, microhood, counter-top, sink, faucet, dishwasher, stove and refrigerator, tile flooring, under-counter lighting and ceiling fans.

Troy replaced tub/shower enclosure, glass doors, toilet, mirrored med/cab., light fixture.

Troy installed all new window treatments and screen doors.

1986 Troy and Gail became added lessees under CalTrans lease with lessee Robert Pacca.

1988-9 Upstairs (improvements) - Troy never compensated for.

Troy replaced/installed shower enclosures in two bathrooms and replaced vinyl flooring.

Troy replaced/upgraded all kitchen countertops and wall backsplashes, microhood, sink, faucets, lighting.

1994-5 Outside (improvements) - Troy never compensated for.

Troy recognized the land in front of the MAITLAND house had been eroding/moving forward (covering over the sidewalk area adjacent Maitland Drive street). Troy installed 20 stabilizing rods deep into the ground to hold the land, and he re-established the sidewalk area, giving greater width to the Maitland Drive right of way.

2008 (circa) Suzi, Robert's spouse, becomes an added lessee under CalTrans lease.

2009-2012 HAYWARD gained jurisdictional authority over Project properties and offered some Project properties for sale to existing lessees. Not only was the MAITLAND property put in an uncertain category [TBD if for sale] in AGREEMENTS during this period, but as to MAITLAND

neither Troy nor Gail were: 1) given any notice of a sale offer, 2) aware of any such sale notice, or 3) given any opportunity to purchase during this period - or after.

[in circa 2011, Cal Trans lessees collectively at MAITLAND were offered approximately \$4800 dollars, including Troy specifically approximately \$1200, as total relocation assistance (Gail was not then physically living at MAITLAND, offered nothing). The CalTrans property manager directly said (threatened) to Troy, that if he did not accept the \$1200 dollars that he would be IMMEDIATELY EVICTED. Troy objected to the offer (we are unsure if a written objection was also filed - either with HAYWARD or CalTrans) but think Troy accepted money to avoid eviction. Note - it is unclear if offer of relocation money came from HAYWARD or CalTrans; we know a final foundational agreement between the two agencies was not reached until 2016. Troy (as primary residence) and Gail continued as lessees]

2016 CalTrans property manager asserted there was no money to maintain MAITLAND, and said directly to Troy that if Troy did not want to be evicted he/Robert would have to repair non functioning wall furnace in downstairs (unit) and look to be reimbursed with reduced rent. Troy/Robert paid about \$1600 to replace because again CalTrans property manager required third party professional installation, would not recognize Troy's general contractor license and allow him to be involved in less expensive installation, and offered no temporary heating. **[Troy was sick at the time, cannot begin to say how stressful matter was, and went 3 weeks with no heat. Property manager suggested Troy open his stove oven door]**

2018 (circa June-July) Robert / Suzi voluntarily terminated as lessees under CalTrans Lease, leaving Hayward, without any concurrent relocation assistance from HAYWARD / CalTrans.

2018 (circa July-August) Gail voluntarily terminated as lessee under CalTrans Lease, without any concurrent relocation assistance from HAYWARD / CalTrans.

2018 November is supposed end of tenant occupancy under CalTrans lease.

Troy has been cooperative with the HAYWARD property inspector, and with its property relocation specialist who has been in direct contact with Troy in 2018; the specialist has sought to find Troy equivalent housing / reasonably equivalent cost rental accommodations within the City of Hayward - which is a right of CalTrans lease tenants under the AGREEMENTS. The specialist has found none and, Troy and Gail believe the specialist recognizes none exist.

POSITION CONCLUSION with SUBJECT PROPERTY VALUE COMMENTS

Position

- A. Among the circumstances of where MAITLAND is situated, we do not consider that MAITLAND is suitable for house destruction in favor of some higher density project because:
1. MAITLAND is sewer connected to Maitland Drive,
 2. The land behind (uphill of) MAITLAND, and behind MAITLAND to left and right of it, is open space land - an informal or formal, "wildlife corridor" that should not be invaded, and
[Incidentally, Troy has long been a very positive steward of the wildlife in the corridor, both on and off the MAITLAND property]
 3. HAYWARD has allowed tenants of other individual homes along Maitland Drive to purchase those homes, including other homes on MAITLAND's side of Maitland Drive.

- B. Under the totality of circumstances of Troy and Gail described above, Troy and Gail have

shown the right (legally, equitably, and in doing justice in this matter) to currently purchase MAITLAND, and doing so would be without negative consequences for HAYWARD and CalTrans.

C. We understand, among other features under the AGREEMENTS, there was provided that up to ten percent (10%) of the Project properties could be purchased by existing CalTrans tenants.

Subject property fair market value

Troy as lessee is essentially qualified to give an "owner" opinion of MAITLAND's market value, and also as a licensed real estate broker is qualified to do so.

Base value Troy has evaluated MAITLAND's current fair market value. Tyoy concludes that the average value for such a constructed home would be \$750,000, but the specific fair market value for the MAITLAND home in current condition he places at \$710,000.

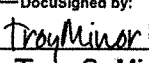
Additional Price Adjustment Troy (and Gail) assert a present owner equity interest in MAITLAND, for all the uncompensated improvements Troy made described above. Significantly, those improvements were made long ago in time as described, and so their value would be considered to have grown with time as to MAITLAND's overall fair market value. Collectively, Troy and Gail assert a present value of such improvements at \$90,000.

Additional Price Adjustment Troy and Gail assert they were precluded from purchasing MAITLAND circa 2010-2012 by the procedural maneuverings of HAYWARD and CalTrans - both responsible - and that such prevented Troy and Gail from purchasing MAITLAND at a time of significantly lower market prices (and then including adjustment for improvements Troy made), about \$380,000 - the market difference being about \$330,000, making a further price adjustment of \$330,000, as Troy and Gail should have been allowed to purchase in that 2010-2012 time frame.

Please consider all the above in reaching the conclusion Troy and Gail have a right to purchase MAITLAND and in entering good faith negotiations for such sale and a sale price.

AS PRESENTED, TROY AND GAIL ASSERT THERE IS JUST AND GOOD CAUSE FOR THIS SALE.

Respectfully submitted.

DocuSigned by:
 10/2/2018
Troy S. Minor

DocuSigned by:
 10/2/2018
Gail A. Minor



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(Selling Firm to Buyer) (As required by the Civil Code) (C.A.R. Form AD, Revised 12/14)

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

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

SELLER'S AGENT

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

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

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

BUYER'S AGENT

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

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

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered. The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).

[X] Buyer [] Seller [] Landlord [] Tenant Troy S. Minor Date

[X] Buyer [] Seller [] Landlord [] Tenant Gail A. Minor Date

Agent TSM Realtors DRE Lic. # 01451645 Real Estate Broker (Firm)

By Troy Minor DRE Lic. # 01451645 Date (Salesperson or Broker-Associate)

Agency Disclosure Compliance (Civil Code §2079.14): When the listing brokerage company also represents Buyer/Tenant: The Listing Agent shall have one AD form signed by Seller/Landlord and a different AD form signed by Buyer/Tenant. When Seller/Landlord and Buyer/Tenant are represented by different brokerage companies: (i) the Listing Agent shall have one AD form signed by Seller/Landlord and (ii) the Buyer's/Tenant's Agent shall have one AD form signed by Buyer/Tenant and either that same or a different AD form presented to Seller/Landlord for signature prior to presentation of the offer. If the same form is used, Seller may sign here: Seller/Landlord Date Seller/Landlord Date



CIVIL CODE SECTIONS 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13 As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings: (a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions. (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee. (d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29. (e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction. (f) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer. (g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation. (h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent. (i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller. (k) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (l) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase. (m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor. (o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller. (p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

2079.14 Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgement of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows: (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgement of receipt is required. (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

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

2079.16 Reproduced on Page 1 of this AD form.

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

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

(DO NOT COMPLETE. SAMPLE ONLY) _____ is the agent of (check one): the seller exclusively; or both the buyer and seller.

(Name of Listing Agent)

(DO NOT COMPLETE. SAMPLE ONLY) _____ is the agent of (check one): the buyer exclusively; or the seller exclusively; or

(Name of Selling Agent if not the same as the Listing Agent)

both the buyer and seller.

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

2079.18 No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

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

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

2079.21 A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

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

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

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

(C.A.R. Form PRBS, 11/14)

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

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

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

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

In the event of dual agency, seller and buyer agree that: (a) Broker, without the prior written consent of the Buyer, will not disclose to seller that the Buyer is willing to pay a price greater than the offered price; (b) Broker, without the prior written consent of the seller, will not disclose to the buyer that seller is willing to sell property at a price less than the listing price; and (c) other than as set forth in (a) and (b) above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the property to both parties.

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

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

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

Seller _____ Date _____
Seller _____ Date _____

Buyer _____ Troy S. Minor Date _____
Buyer _____ Gail A. Minor Date _____

Real Estate Broker (Firm) _____ DRE Lic # _____ Date _____
By _____ DRE Lic # _____ Date _____

Real Estate Broker (Firm) TSM Realtors DRE Lic # 01451645 Date 10/01/2018
By Troy Minor DRE Lic # 01451645 Date _____

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Property Address: 25672 Maitland Drive, Hayward, Cal 94542 ("Property").

WIRE FRAUD AND ELECTRONIC FUNDS TRANSFERS ADVISORY:

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

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

ACCORDINGLY, YOU ARE ADVISED:

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

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

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

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

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

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

Buyer/Tenant Troy S. Minor Date
Buyer/Tenant Gail A. Minor Date
Seller/Landlord Date
Seller/Landlord Date

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WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY (WFA PAGE 1 OF 1)





**CALIFORNIA
RESIDENTIAL PURCHASE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

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

Date Prepared: 10/01/2018

1. OFFER:

- A. THIS IS AN OFFER FROM Troy S. Minor, Gail A. Minor ("Buyer").
 B. THE REAL PROPERTY to be acquired is 25672 Maitland Drive, Hayward, Cal 94542, situated in Hayward (City), _____ (County), California, 94542 (Zip Code), Assessor's Parcel No. _____ ("Property").
 C. THE PURCHASE PRICE offered is _____ Dollars \$ _____.
 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 TSM Realtors (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 _____ \$ 12,000.00
 (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 North American Title. 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 10 Days After Acceptance (or _____).
 If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount in a separate liquidated damages clause (C.A.R. Form RID) at the time the increased deposit is delivered to Escrow Holder.
 C. ALL CASH OFFER: No loan is needed to purchase the Property. This offer is NOT contingent on Buyer obtaining a loan. Written verification of sufficient funds to close this transaction IS ATTACHED to this offer or Buyer shall, within 3 (or _____) Days After Acceptance, Deliver to Seller such verification.

D. LOAN(S):

- (1) FIRST LOAN: in the amount of _____ \$ _____
 This loan will be conventional financing or FHA, VA, Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), Other 20% down. This loan shall be at a fixed rate not to exceed _____ % or, an adjustable rate loan with initial rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to exceed _____ % of the loan amount.
 (2) SECOND LOAN in the amount of _____ \$ _____
 This loan will be conventional financing or Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), Other _____. This loan shall be at a fixed rate not to exceed _____ % or, an adjustable rate loan with initial rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to exceed _____ % of the loan amount.
 (3) FHA/VA: For any FHA or VA loan specified in 3D(1), Buyer has 17 (or _____) Days After Acceptance to Deliver to Seller written notice (C.A.R. Form FVA) of any lender-required repairs or costs that Buyer requests Seller to pay for or otherwise correct. Seller has no obligation to pay or satisfy lender requirements unless agreed in writing. A FHAVA amendatory clause (C.A.R. Form FVAC) shall be a part of this Agreement.

E. ADDITIONAL FINANCING TERMS: Purchase price to be negotiated.

- F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE in the amount of _____ \$ (12,000.00) to be deposited with Escrow Holder pursuant to Escrow Holder instructions.
 G. PURCHASE PRICE (TOTAL): _____ \$ _____

Buyer's Initials (____) (____)

Seller's Initials (____) (____)

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

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

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

J. LOAN TERMS:

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

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

(3) LOAN CONTINGENCY REMOVAL:

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

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

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

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

4. SALE OF BUYER'S PROPERTY:

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

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

5. ADDENDA AND ADVISORIES:

A. ADDENDA:

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

B. BUYER AND SELLER ADVISORIES:

<input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA)	
<input type="checkbox"/> Probate Advisory (C.A.R. Form PA)	<input 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: _____

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 Click here to select your Service Provider
- (2) Buyer Seller shall pay for the following Report _____ prepared by _____
- (3) Buyer Seller shall pay for the following Report _____ prepared by _____

Buyer's Initials (____) (____)

Seller's Initials (____) (____)



B. GOVERNMENT REQUIREMENTS AND RETROFIT:

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

C. ESCROW AND TITLE:

- (1) (a) Buyer Seller shall pay escrow fee _____
 (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 _____
- (8) Buyer Seller shall pay for _____
- (9) Buyer Seller shall pay for _____
- (10) Buyer Seller shall pay for the cost, not to exceed \$ _____, of a standard (or upgraded) one-year home warranty plan, issued by _____, with the following optional coverages: Air Conditioner Pool/Spa Other: _____
 Buyer is informed that home warranty plans have many optional coverages in addition to those listed above. Buyer is advised to investigate these coverages to determine those that may be suitable for Buyer.

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

8. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:

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

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

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

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

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

Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)



9. CLOSING AND POSSESSION:

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

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

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

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

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

Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 4 OF 10)



- (2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has 3 (or ___) Days After Acceptance to request from the HOA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). (vi) private transfer fees; (vii) Pet fee restrictions; and (viii) smoking restrictions. Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 14B(3). The Party specified in paragraph 7, as directed by escrow, shall deposit funds into escrow or direct to HOA or management company to pay for any of the above.
11. **CONDITION OF PROPERTY:** Unless otherwise agreed in writing: (i) the Property is sold (a) "AS-IS" in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation rights; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and (iii) all debris and personal property not included in the sale shall be removed by Close Of Escrow.
- A. Seller shall, within the time specified in paragraph 14A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, and make any and all other disclosures required by law.
- B. Buyer has the right to conduct Buyer Investigations of the Property and, as specified in paragraph 14B, based upon information discovered in those investigations: (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.
- C. **Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.**
12. **BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**
- A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 14B. Within the time specified in paragraph 14B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to: (i) a general physical inspection; (ii) an inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2); (iii) inspect for lead-based paint and other lead-based paint hazards; (iv) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA); (v) review the registered sex offender database; (vi) confirm the insurability of Buyer and the Property including the availability and cost of flood and fire insurance; and (vii) review and seek approval of leases that may need to be assumed by Buyer. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report; or inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- B. Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 14B, complete Buyer Investigations and either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all such Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
- C. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer.
- D. **Buyer indemnity and seller protection for entry upon property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.
13. **TITLE AND VESTING:**
- A. Within the time specified in paragraph 14, Buyer shall be provided a current preliminary title report ("Preliminary Report"). The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the Preliminary Report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 14B. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities. Seller shall within 7 Days After Acceptance, give Escrow Holder a completed Statement of Information.
- B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record (which Seller is obligated to pay off) unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
- C. Within the time specified in paragraph 14A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. **THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.**



- 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(5), 10A, B, C, and F, 11A and 13A. If, by the time specified, Seller has not Delivered any such item, Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement.
 - B. (1) **BUYER HAS: 17 (or ___) Days** After Acceptance, unless otherwise agreed in writing, to: (i) complete all Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to paragraph 8B(5), and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory and Lead Disclosures and other disclosures Delivered by Seller in accordance with paragraph 10A.
 - (2) Within the time specified in paragraph 14B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to (C.A.R. Form RRRR) Buyer's requests.
 - (3) By the end of the time specified in paragraph 14B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller a removal of the applicable contingency or cancellation (C.A.R. Form CR or CC) of this Agreement. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in paragraph 14A, then Buyer has **5 (or ___) Days** After Delivery of any such items, or the time specified in paragraph 14B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.
 - (4) **Continuation of Contingency:** Even after the end of the time specified in paragraph 14B(1) and before Seller cancels, if at all, pursuant to paragraph 14D, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to paragraph 14D(1).
 - (5) **Access to Property:** Buyer shall have access to the Property to conduct inspections and investigations for **17 (or ___) Days** After Acceptance, whether or not any part of the Buyer's Investigation Contingency has been waived or removed.
 - C. **REMOVAL OF CONTINGENCIES WITH OFFER:** Buyer removes the contingencies specified in the attached Contingency Removal form (C.A.R. Form CR). If Buyer removes any contingency without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Broker.
 - D. **SELLER RIGHT TO CANCEL:**
 - (1) **Seller right to Cancel; Buyer Contingencies:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
 - (2) **Seller right to Cancel; Buyer Contract Obligations:** Seller, after first delivering to Buyer a NBP, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3A, or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a notice of FHA or VA costs or terms as required by paragraph 3D(3) (C.A.R. Form FVA); (iii) Deliver a letter as required by paragraph 3J(1); (iv) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by paragraph 3C or 3H; (v) In writing assume or accept leases or liens specified in 8B5; (vi) Return Statutory and Lead Disclosures as required by paragraph 10A(5); or (vii) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 21B; or (viii) Provide evidence of authority to sign in a representative capacity as specified in paragraph 19. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
 - E. **NOTICE TO BUYER OR SELLER TO PERFORM:** The NBP or NSP shall: (i) be in writing; (ii) be signed by the applicable Buyer or Seller; and (iii) give the other Party at least **2 (or ___) Days** After Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP or NSP may not be Delivered any earlier than **2 Days** Prior to the expiration of the applicable time for the other Party to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 14.
 - F. **EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES:** If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in writing, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.
 - G. **CLOSE OF ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a demand to close escrow (C.A.R. Form DCE). The DCE shall: (i) be signed by the applicable Buyer or Seller; and (ii) give the other Party at least **3 (or ___) Days** After Delivery to close escrow. A DCE may not be Delivered any earlier than **3 Days** Prior to the scheduled close of escrow.
 - H. **EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Except as specified below, **release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award.** If either Party fails to execute mutual instructions to cancel escrow, one Party may make a written demand to Escrow Holder for the deposit. (C.A.R. Form BDRD or SDRD). Escrow Holder, upon receipt, shall promptly deliver notice of the demand to the other Party. If, within 10 Days After Escrow Holder's notice, the other Party does not object to the demand, Escrow Holder shall disburse the deposit to the Party making the demand. If Escrow Holder complies with the preceding process, each Party shall be deemed to have released Escrow Holder from any and all claims or liability related to the disbursement of the deposit. Escrow Holder, at its discretion, may nonetheless require mutual cancellation instructions. A Party may be subject to a civil penalty of up to \$1,000 for refusal to sign cancellation instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).

Buyer's Initials (____) (____)

Seller's Initials (____) (____)

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- 15. **FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final verification of the Property within 5 (or) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 11; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).
- 16. **REPAIRS:** Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain invoices and paid receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.
- 17. **PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.
- 18. **BROKERS:**
 - A. **COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.
 - B. **SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.
- 19. **REPRESENTATIVE CAPACITY:** If one or more Parties is signing this Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 31 or 32 and attach a Representative Capacity Signature Disclosure (C.A.R. Form RCSD). Wherever the signature or initials of the representative identified in the RCSD appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Party acting in a representative capacity (i) represents that the entity for which that party is acting already exists and (ii) shall Deliver to the other Party and Escrow Holder, within 3 Days After Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code §18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).
- 20. **JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**
 - A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3, 4B, 5A, 6, 7, 10C, 13, 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.

Buyer's Initials () ()

Seller's Initials () ()

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- C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 18A and paragraph D of the section titled Real Estate Brokers on page 10. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 18A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
- D. Upon receipt, Escrow Holder shall provide Seller and Seller's Broker verification of Buyer's deposit of funds pursuant to paragraph 3A and 3B. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers: (i) if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- E. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.

21. REMEDIES FOR BUYER'S BREACH OF CONTRACT:

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

Buyer's Initials _____ / _____

Seller's Initials _____ / _____

22. DISPUTE RESOLUTION:

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

B. ARBITRATION OF DISPUTES:

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

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

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

Buyer's Initials _____ / _____

Seller's Initials _____ / _____

C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:

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

Buyer's Initials () ()

Seller's Initials () ()



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

(3) **BROKERS:** Brokers shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Broker(s) participating in mediation or arbitration shall not be deemed a party to this Agreement.

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

24. **MULTIPLE LISTING SERVICE ("MLS"):** Brokers are authorized to report to the MLS a pending sale and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS.

25. **ATTORNEY FEES:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 22A.

26. **ASSIGNMENT:** Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless otherwise agreed in writing by Seller. (C.A.R. Form AOOA).

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

28. **TERMS AND CONDITIONS OF OFFER:**

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

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

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

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

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

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

Date _____ BUYER _____
(Print name) Troy S. Minor

Date _____ BUYER _____
(Print name) Gail A. Minor

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

Seller's Initials (_____) (_____)



Property Address: **25672 Maitland Drive, Hayward, Cal 94542**

Date: **October 1, 2018**

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

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

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

Date _____ SELLER _____
(Print name) _____

Date _____ SELLER _____
(Print name) _____

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

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

REAL ESTATE BROKERS:

- A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
- B. Agency relationships are confirmed as stated in paragraph 2.
- C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.
- D. COOPERATING BROKER COMPENSATION: Listing Broker agrees to pay Cooperating Broker (Selling Firm) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow, the amount specified in the MLS, provided Cooperating Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Listing Broker and Cooperating Broker are not both Participants of the MLS, or a reciprocal MLS, in which the Property is offered for sale, then compensation must be specified in a separate written agreement (C.A.R. Form CBC). Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.

Real Estate Broker (Selling Firm) TSM Realtors DRE Lic. # 01451645

By Troy Minor DRE Lic. # 01451645 Date _____

By _____ DRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Listing Firm) _____ DRE Lic. # _____

By _____ DRE Lic. # _____ Date _____

By _____ DRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

ESCROW HOLDER ACKNOWLEDGMENT:

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

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

Escrow Holder _____ Escrow # _____

By _____ Date _____

Address _____

Phone/Fax/E-mail _____

Escrow Holder has the following license number # _____

Department of Business Oversight, Department of Insurance, Department 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 Acknowledges that page 10 is part of this Agreement (_____) (_____) Buyer's Initials _____

525 South Virgil Avenue, Los Angeles, California 90020



Property Address 25672 Maitland Drive, Hayward, Cal 94542

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

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

Buyer _____
Troy S. Minor

Buyer _____
Gail A. Minor

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



PUBLIC COMMENT

CHARLIE PETERS



Clean Air Performance Professionals

September 7, 2018
Governor Jerry Brown
c/o State Capitol, Suite 1173
Sacramento, California 95814
Fax: 916-558-3160

Introduction:
Position Statement

Ethanol Voluntary Waiver for Improved Financial, Air and Water Considerations

There is significant concern regarding both the issue of global warming and the development of renewal fuels. Both concerns could be impacted in a positive way through a sensible approach.

Financial Economic Impacts:

Implement a waiver for voluntary ethanol for California gasoline. Some believe there is a proposal for a single federal allowance of 15% ethanol but there are also waivers showing other levels including none. Allowing for 15% and a voluntary choice generates policy that significantly increases not only the supply of oil but can also affect the price.

As funny as it might seem using ethanol actually increases the use of fossil fuel!

Fuel economy per gallon of gas is reduced due to the introduction of ethanol because the performance output is less than with unblended fuel. The net result is a loss of gas mileage per tank of gas so "more" fossil fuel is needed to cover the same distance driven.

The price of a gallon of gas is impacted by the introduction of ethanol due to increased transportation methods used today such as ships, barges, trains and trucks. Refining techniques required by California environmental policy mandates a boutique fuel which cannot be sold elsewhere affecting economies of scale which increases the cost.

Without these parameters the price of a gallon of gas could be reduced by at least \$2.00 per gallon to the consumer.

Air Quality and Water Contamination:

Ethanol increases undesirable particulate matter and ozone levels into the air. As was seen in Brazil within the last 5 years when their fuel was blended with 25% ethanol a public health crises was created leading to smog and negative health impacts.

According to an Environmental Protection Agency Report as referenced in an article in the Daily Caller by Jason Hopkins August 4, 2018 stating that "Air Quality modeling suggests that production and use of ethanol as fuel to displace gasoline is likely to increase such air pollutants as PM2.5, ozone and SOx in some locations. While traditional gasoline contains more CO2, ethanol-based fuels have more nitrogen oxides (NOx), which can be more harmful to human health".

Here in California with the high level of use of ethanol the outcomes may be even worse.

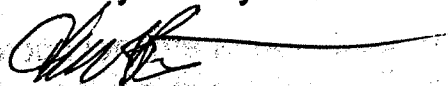
The exposure of ethanol to the water supply is a particularly difficult subject requiring our concentrated efforts to stop any leaking of carcinogens from getting into the ground water.

Wildlife habitats along with plant, agriculture and public use is all at risk when levels of contamination occur resulting in not only associated health problems but unusable areas of land and water.

Suggested Approach:

Emergency study to evaluate ethanol impacts on the environment and the economy. This can be accomplished quickly by a study at the Caldecott tunnel using existing protocol which can demonstrate the factual basis for the improved environmental and economic impacts in California along with answering the ethanol question.

Thank you for your service to California



Charlie Peters
21860 Main Street Ste A
Hayward California, 94541
510-537-1796
cappcharlie@earthlink.net
cc: interested part

CAPP contact: Charlie Peters (510) 537-1796 cappcharlie@earthlink.net

California's 'Queen of Green' Takes on President Trump

By Todd S. Purdum / The Atlantic / October 3, 2018

LOS ANGELES—In 1972, as a young lawyer fresh out of Yale, she filed the first test case under the federal Clean Air Act, suing the Environmental Protection Agency to compel California to impose air-quality standards under the law. More than two decades later, as a senior official at the EPA, she drafted the first national standards regulating fine-particle air pollution.

And now, in her second tour as the powerful chair of the California Air Resources Board, Mary D. Nichols is the tip of the spear in her state's effort to block the Trump administration's proposals to freeze federal fuel-economy and auto-emissions standards through 2026, and to rescind California's long-standing ability to set its own, tougher rules—rules also followed by 13 other states that together account for a third of the American market for new automobiles.

Nichols may not be a household name, but no single individual has been more responsible for the success of the Golden State's half-century, bipartisan effort to clean up its own skies. Then-Governor Jerry Brown first appointed Nichols to the Air Resources Board in 1975, elevating her to the chairmanship four years later. In 2007, the Republican Arnold Schwarzenegger named her again to the same post. In between, she opened the Los Angeles office of the Natural Resources Defense Council and served as state-resources secretary under Governor Gray
<https://www.theatlantic.com/politics/archive/2018/10/trumps-coming-showdown-with-californias-queen-of-green/571051/Davis>. In 2013, Time magazine named her one of its 100 most influential people in the world, and to her admirers and adversaries alike she is acknowledged as "The Queen of Green."

The proof is in the unobstructed daily view of the Hollywood sign from Nichols's own front lawn in the Windsor Square neighborhood here; a few decades ago, she wouldn't have been able to see it most of the time. Southern California hasn't had a stage-one ozone alert in 15 years, and just this summer it announced that in 2016, its greenhouse-gas pollution fell below 1990 levels for the first time since peaking in 2004—the equivalent of taking 12 million cars off the road and saving 6 billion gallons of gas a year. (That met the state's legislatively mandated target of reducing the annual greenhouse totals below 431 metric tons four years ahead of schedule.)

"She's been at this her entire adult life," says the former EPA administrator Carol Browner, who hired Nichols to come to Washington in 1993 and worked with her again during the Obama administration to develop the standards that Donald Trump is now trying to roll back. "She has shaped the quality of the air we breathe in this country probably more than anybody. She's just stayed with it. Now she's got this huge challenge."

The 73-year-old Nichols is an unusual combination of ferocious advocate and unfailingly collegial negotiator, not above bringing a Tupperware container of chocolate-chip cookies to lighten the mood at a tense meeting. A compact figure with a short fringe of salt-and-pepper hair, she bears a passing resemblance to the Food Network chef Lidia Bastianich. She's a serious student of the law and science, but her eyes crinkle easily into a smile.

She also has a vivid and eclectic personal story: the daughter of the onetime democratic-socialist mayor of Ithaca, New York, who performed a gay marriage decades before it was legal anywhere; the widow of a major corporate lawyer who represented ExxonMobil in its long settlement fight over the Exxon Valdez oil spill off Alaska; the former senior lay leader of her local Episcopal parish (where Nat King Cole once sang with the choir), and a devoted music fan who never misses the annual New Orleans Jazz Fest.

When the Trump administration first signaled its intention to reject the Obama-era standards and revoke California's waiver, Nichols's boss, Jerry Brown, accused the president of "running a one-man demolition derby on science, the Clean Air Act, and a lot of things we are trying to do." But Nichols herself is much more diplomatic.

"What I'm seeing is a desire on the part of the White House to put this to bed," she told me when I caught up with her late last month at the Los Angeles Department of Water and Power's Cleantech Incubator offices, where she often works when not in Sacramento. She had just returned from her first Washington negotiating session with officials from the White House, the EPA, and the Department of Transportation. "The administration seems to want to find a way to accommodate our need and desire to set our own standards. If they want to give relief to the industry, they're going to have to find a way that both we and the industry think is realistic. The idea is that we all have to work together."

In fact, the Trump administration's proposals, formally unveiled last month, are just the latest shot in the administration's multifront policy war with California, not the final word. That is partly because of internecine battles within the administration itself; senior officials at the Department of Transportation are leading the charge for the new standards, while top EPA officials have cautioned that the proposals are sloppily drafted and unlikely to withstand judicial scrutiny. And it is partly because the auto industry, while seeking some relaxation of the Obama standards, does not relish a protracted, multiyear court fight in which California and like-minded states would leave the rules—and manufacturers' plans to meet them—in limbo and split the nation's car market in two.

The current battle dates to 2009, when the Obama administration sought to blend a range of emissions and fuel-economy standards set by disparate federal agencies into a unified national policy. Detroit's automakers, some of them fresh from government bailouts, had limited leverage. The process culminated three years later, when Washington settled on raising fuel-economy standards to an average of 54.5 miles a

gallon by 2025, nearly double the 2012 average. The industry agreed, but the final compromise mandated a midterm review for the years 2022–25. Just before Trump took office, the Obama administration reaffirmed the original rules as feasible, and kept them in place.

California had tied its own rules to the new national ones, but now the Trump administration has proposed freezing the federal standards for six years, starting in 2020, at just 37 miles a gallon. When the mere prospect of that first emerged last spring, the state's attorney general, Xavier Becerra, joined with 16 other states and the District of Columbia to file a preemptive lawsuit to decouple California from the lower standards and block the change.

“She would have a different negotiating style than what the president describes in *The Art of the Deal*,” says former Congressman Dave McCurdy, who worked closely with Nichols to devise the Obama standards a decade ago as the president of the Alliance of Automobile Manufacturers. “She’s certainly not going to negotiate against herself or her interests. You have to come in with a solid position and be able to defend it and offer a way forward.” But, he adds, “I think you’d have to be pretty cold to get angry or dislike her as a person.”

If Nichols sounds comparatively sanguine about the eventual outcome, it may be because she has plenty of practical experience in the give-and-take of politics. She managed the unsuccessful 1986 gubernatorial campaign of Los Angeles Mayor Tom Bradley. She bought a blonde wig to play Meg Whitman, Brown’s 2010 GOP gubernatorial opponent, in debate prep. And she tangled successfully with the second Bush administration to preserve California’s waiver to set its own standards under the Clean Air Act. Just last year, Nichols worked with the California state legislature to pass an extension until 2030 of the state’s cap-and-trade program, in which it sets steadily decreasing limits on greenhouse-gas emissions, then sells permits to corporations to allow them to continue polluting beyond the accepted limits. Some environmental groups criticized the plan as too friendly to industry.

Nichols acknowledges that some environmentalists have always been skeptical of the market-based approach of cap-and-trade. Given the opposition of some on the left, in order to muster the two-thirds legislative majority to pass what amounted to a new tax on greenhouse-gas emissions, the Brown administration had to court votes “from legislators whose districts are either heavily impacted by the oil and gas industry, or who oppose the entire climate program.” She believes the end result meets the state’s goals.

For her part, Catherine Reheis-Boyd, the president of the Western States Petroleum Association, which represents the oil and gas industry in California, Washington, Oregon, Arizona, and Nevada, says the agreement is a testament to Nichols’s negotiating skills. “We supported an extension of a cap-and-trade program with the most aggressive targets in the world,” she says. “And the reason for that is that we were really able to sit down with them and understand cost containment. Even on the most difficult of issues,

you're still able to have the right conversation about what each of you thinks is important. She's willing to listen to a good argument, in the context of being who she is. She is unyielding in her passion and vision, but her approach is very respectful."

Los Angeles has grappled with air quality since at least 1542, when the Portuguese explorer Juan Rodríguez Cabrillo sailed into San Pedro Bay and, noticing the smudge from Chumash Indian fires trapped by the ring of surrounding hills, dubbed it la Baya de los Fumos, or the "Bay of the Smokes." But the advent of modern smog is generally dated to July 18, 1943, when an outbreak of blinding, acrid fog blanketed the city, so severe that some residents at first mistook it for a wartime Japanese gas attack. A Southern California Gas Company plant that produced a compound used in synthetic rubber was fingered as the initial culprit and promptly shut down, but the outbreaks continued.

Not until the early 1950s did Arie J. Haagen-Smit, a Dutch biochemist at the California Institute of Technology, prove that the scourge was the result of invisible automobile exhaust reacting with sunlight. By the 1960s, some parts of Los Angeles were living with up to 200 dangerous smog days a year, barely able to see the mountains that ring L.A.'s coastal plain. Nichols herself first saw the city in a "Day-Glo orange" haze on a cross-country trip with a friend in 1969. "It was pretty horrific," she says.

But two years earlier, Governor Ronald Reagan had signed the law mandating the creation of the Air Resources Board, charged with improving and maintaining the state's air quality. Because the agency predates the 1970 federal Clean Air Act, its pioneering status—since confirmed by judicial decisions and various amendments to the federal law—has allowed California to set its own, more stringent air-quality standards. Other states may choose to follow California's standards, but none can set its own. The current board has 14 members, most appointed by the governor, and representing local air-quality districts and various fields of technical expertise, including automotive engineering, agriculture, medicine, and law. It regulates everything from lawn mowers and air fresheners to hair and insect sprays, and its roughly \$1 billion budget is financed through user fees—vehicle smog-certification fees and polluter permits—and not subject to the state's general fund.

Nichols and Brown make it clear that the state has no intention of surrendering its long-standing prerogatives without deploying every legal tool at its disposal. But she doesn't buy the notion that President Trump is effectively making war on California, whose 4-million-vote margin for Hillary Clinton over Trump more than accounted for her national popular-vote victory. "No, I don't buy that," she says. "If they wanted to punish us, they could have slow-walked these disaster declarations" for the state's recent devastating wildfires. Moreover, Nichols insists that the auto industry doesn't really want a repeal of the California waiver.

"This is also part of their global strategy," she says. "They really don't want to spend the next couple of years in limbo while it's hashed out." Nichols would not provide details of

the opening round of her negotiations with the administration and industry, but she suggests there are ample avenues for flexibility, “giving relief to the industry without sacrificing a move toward more electrification.” For example, she says, one idea might be relaxing standards for traditional sedans, which fewer and fewer consumers are buying, while tightening them for the SUVs and light trucks that increasingly dominate the market. “There’s a path there, maybe, that allows shifting the burden.”

Nichols has spent her whole life blazing paths. She was born in Minneapolis but grew up in Ithaca, New York, where her father was a professor of electrical engineering at Cornell University. She earned her bachelor’s degree with a major in Russian literature and a minor in drama in 1966, and went to work as one of the first female reporters hired by The Wall Street Journal. In the 1970s, her father served three terms as mayor of Ithaca, running as a democratic socialist. When I asked her if he was a devotee of Norman Thomas, the six-time candidate of the Socialist Party of America, she replied in a cheerful deadpan: “Oh, no! That would have been a dirty word in our house. We were Communists.”

While still in college, Nichols spent a summer in West Tennessee, volunteering to help register black voters. “I saw the role that the lawyers were playing in the civil-rights struggle—and also that they were less likely to get their heads beaten in.” She eventually enrolled at Yale Law School, becoming one of 18 women out of 160 members in the class of 1971. It was there that she met her husband, John Daum, who graduated two years ahead of her and who had helped found what became the Natural Resources Defense Council.

But Daum, who died in 2016, was eventually recruited by the old-line Los Angeles law firm O’Melveny & Myers, where he wound up representing petroleum-industry clients. She followed him to California and, as she says, “I became the environmental lawyer in the family.” Her first job was at the nonprofit Center for Law in the Public Interest, and she had to secure foundation grants to pay her own salary. Because other lawyers had already called dibs on fields like coastal protection and nuclear power, she took on air pollution, filed the first test case against the EPA under the Clean Air Act, and the rest is history.

Nichols is nothing if not practical. “I do believe that to be sustainable in this field,” she says, “you have to come up with ideas that people are willing to live with.” She herself drives an electric blue Toyota Mirai, a hydrogen-fuel-cell vehicle, and is in the midst of a green-spirited remodeling project, renovating her longtime home to install an elevator and create an upstairs apartment for herself, so her son, Nicholas Daum, a lawyer in private practice here, and his family can move into the big house below. (Nichols’s daughter, Margaret Daum, also a lawyer, is the minority staff director for the Senate Homeland Security Committee in Washington, D.C.)

“The fact that she has occupied so many different positions and perspectives over the years has just given her a really incredible ability of knowing what’s coming next,” says

Cara Horowitz, an environmental-law professor at UCLA. “The thing that strikes me when I talk with her is she’s not backward-looking at all. She looks deep into the chess game and moves ahead, and she’s just wickedly smart.”

Nichols is a realist about the future, but not a pessimist. “From what we know about science and the way the atmosphere works,” she acknowledges, “we have no chance of meeting the needed health standards without completely changing the transportation system.” For more than two decades, Los Angeles has been engaged in a determined, if not always successful, effort to build a more workable network of subways and light-rail lines, and some urban planners have pressed for building higher-density housing close to those modes of transportation—which, as it happens, are often also near clogged freeways, which raises environmental concerns about pollution.

“Well, you’ve got to do a few things at the same time,” Nichols says simply. “If the freeway is no longer the major generator of pollution, living near it is not the worst thing.”

Nichols says that Brown’s recent three-day global summit on climate change, held earlier this month in San Francisco, is proof that “the energy to fight global warming bubbles up from the state and local level,” and that the broad participation of businesses from many sectors showed that the companies leading in job creation and investment are not backing away from the Paris climate accords, whatever the Trump administration does. She says her optimism is rooted in her decades of litigating under the Clean Air Act, “in which the ability of technology to meet aggressive regulatory requirements at lower than predicted cost has been demonstrated many times over.”

And she doesn’t believe it’s too late to make meaningful changes that might yet save the fate of the Earth. “I don’t believe it’s too late,” she insists. “L.A. is a bellwether of what’s happening around the globe. Beijing is sending officials here to study what we are doing. We just have to find ways of making urban living less dirty.”

We want to hear what you think about this article. Submit a letter to the editor or write to letters@theatlantic.com.

<https://www.theatlantic.com/politics/archive/2018/10/trumps-coming-showdown-with-californias-queen-of-green/571051/>

VW-Shell-Parsons-EPA Partners?

Google: 510-537-1796 arb

CAPP contact: Charlie Peters (510) 537-1796 cappcharlie@earthlink.net

The Most Ambitious Climate Plan In History

By Janet L. Yellen & Ted Halsted / Fortune / Sept 10, 2018

At the 2015 Paris Climate Conference, the United States committed to reduce its net greenhouse gas emissions by 26% to 28% below 2005 levels by 2025.

Even though the Trump administration has announced its intention to withdraw from the Paris agreement, it remains the benchmark by which any U.S. climate plan is judged.

But it is only a starting point. Even if all nations meet their Paris commitments, the best studies indicate that far greater emissions reductions will be necessary for the world to maintain global temperatures below the agreed-upon 2 degrees Celsius threshold. The goal of U.S. climate policy should therefore be to exceed Paris.

We believe the most politically viable way to accomplish this is a plan co-authored by former Republican Secretaries of State James Baker and George Shultz. The Baker-Shultz plan is based on a gradually rising fee applied to all carbon emissions, with all the revenue rebated directly to the American people. A family of four would receive approximately \$2,000 per year in “carbon dividends.”

The Baker-Shultz Carbon Dividends plan—starting with a carbon fee of \$40 per ton—would be the most ambitious carbon price enacted by any major emitter nation.

A report entitled *Exceeding Paris*, released today by the Climate Leadership Council, quantifies the emissions reductions that could reasonably be expected. Its foreword is co-authored by former Secretary of State George Shultz, former Treasury Secretary Lawrence Summers, former EPA Administrator Christine Todd Whitman, and former Walmart Chairman Rob Walton, as well as the two of us.

All Obama-era climate regulations, had they remained in place, would have achieved approximately 18% in greenhouse gas reductions by 2025, according to the council’s analysis. In comparison, the Baker-Shultz plan would achieve an approximately 32% reduction by 2025, thereby exceeding our Paris commitment by a wide margin.

As also discussed in our report, the nonprofit research organization Resources for the Future modeled the Baker-Shultz plan through 2035 based on a carbon tax starting in 2021 and a range of inflation-adjusted annual escalation rates from 3% to 6%. It found that U.S. energy-related CO₂ emissions would decline to a level of 41% to 47% below 2005 levels by 2035, also raising the environmental bar substantially.

It’s clear that the Baker-Shultz Carbon Dividends Plan is the most environmentally ambitious climate solution. It’s also the most politically viable because it addresses the legitimate concerns of all key stakeholders in the climate debate and enables each to realize an important victory.

A broad coalition of business sector leaders supports the general outlines of the plan. Among them: BP, ExxonMobil, Shell, and Total, as well as AECOM,

Allianz, AT&T, Exelon, First Solar, General Motors, Johnson & Johnson, Metlife, Procter & Gamble, PepsiCo, Santander, Schneider Electric, and Unilever. Each is a founding member of the Climate Leadership Council.

The Baker-Shultz framework also enjoys support from environmental organizations and opinion leaders from across the political spectrum. This is the broadest coalition in U.S. history to come together in support of a concrete federal climate solution, and it continues to grow.

The plan's broad appeal is based on a series of grand bargains, including trading a robust and rising carbon price for regulatory relief, thereby appealing to conservatives at the same time. Just as important, it appeals to the American people by rebating all of the revenue raised directly to them in an equal per capita amount. This would allow the majority of American families to economically benefit from helping solve climate change.

At the heart of this grand bargain is the environmental ambition of the Baker-Shultz plan, which unlocks the political viability of its other components.

Its effectiveness in reducing emissions justifies the phase-out of other carbon regulations that are far more intrusive.

This provides a major draw for businesses. The plan's reliance on a market-based carbon tax also makes it—in the view of economists of all stripes—the most cost-effective solution.

To ensure that intended emissions reductions are met, the Baker-Shultz plan may include an environmental assurance mechanism under which the carbon fee would increase faster if key emissions reductions benchmarks are not met. And to protect the international competitiveness of American firms, it includes a border carbon adjustment.

The plan's popularity enhances its viability. A national poll by Hill+Knowlton, released in full today, finds that the American public supports the Baker-Shultz plan by a 2-1 margin, and by a 23-point margin among Republicans. Among millennials—soon to be the largest voting cohort—support exceeds 4-1.

All of this suggests that the Baker-Shultz plan is emerging as a consensus national climate solution, reflecting the sensible center of American politics. It also demonstrates that there is a realistic path for the United States to exceed its Paris climate commitment and restore its position as a global climate leader.

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<http://fortune.com/2018/09/10/baker-shultz-climate-plan/>

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