

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**MOTION FOR ORDER APPROVING AND CONFIRMING SALE OF REAL
PROPERTY COMMONLY KNOWN AS 104 KINGS PLACE, NEWPORT BEACH,
CALIFORNIA AND APPROVING PUBLICATION AND OVERBID PROCEDURES**

The receiver, Marc-Philip Ferzan of Ankura Consulting Group, LLC, appointed pursuant to the Order Appointing Marc-Philip Ferzan as Receiver (Doc. 1305) (“Receiver”), hereby moves the Court for an order providing the following relief:

1. Authorizing and confirming the sale of the real property commonly known as 104 Kings Place, Newport Beach, California (“Property”), Assessor’s Parcel No. 049-202-15, and legally described as:

Lot 5 of Block E, Tract No. 1219, in the City of Newport Beach,
County of Orange, State of California, as per Map recorded in
Book 38, Pages 26 and 27 inclusive of Miscellaneous Maps in the
Office of the County Recorder of said Orange County.

on an “as is” basis as more fully described in the sale contract documents by private sale to either (a) Oneofour NB LLC, assignee of Francis Tran (“Proposed Buyer”), an arm’s length buyer, at a purchase price of \$13,830,000, pursuant to the California Residential Purchase Agreement and Joint Escrow Instructions dated August 15, 2021 and related documents; Seller Multiple Counter Offer No. 1, comprised of the Seller’s Addenda No. 1 dated August 24, 2021 which includes the

Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021, "AS-IS" Purchase addendum and Additional Terms addendum; Buyer Counteroffer No. 1 dated August 30, 2021; Seller Multiple Counter Offer No. 2 dated September 1, 2021; Buyer Counteroffer No. 2 dated September 3, 2021; Request for Repair No. 1 dated October 4, 2021; and Contingency Removal No. 2 dated October 4, 2021 (collectively, the "Proposed Purchase Agreement") attached as Exhibit 1 to the Declaration of Kenton Johnson ("Johnson Declaration") filed in support of this Motion; or (b) to such higher qualified overbidder who hereafter submits the highest qualified overbid at a subsequent overbid session to be conducted under the terms and conditions more fully set forth herein and approved by the Court pursuant to this Motion, which sale the Receiver requests be approved and confirmed without further notice, hearing or Court order. The overbid procedures, terms and conditions for which the Receiver seeks approval include the following:

A. The overbid session shall be conducted within 25 days of the date of entry of this Order. The overbid session shall be conducted at the offices of Villa Real Estate, 136 Rochester Street, Costa Mesa, California 92627.

B. The Receiver shall cause to be published a notice of the proposed sale of the Property to a qualified bidder at the overbid session to be conducted, which notice shall state the date, time and place of the overbid session, the requirement for pre-qualification by overbidders and the terms and conditions of the overbidding and sale of the Property, as described below ("Overbid Notice"). The Receiver shall cause the Overbid Notice to be published in the Orange County Register two times prior to the date of the overbid session, with the first publication to be at least ten days prior to the date of the overbid session.

C. Any interested party wishing to overbid at the overbid session shall be required to pre-qualify with the Receiver not less than four business days before the overbid

session by delivering to the Receiver's counsel's office located at 2029 Century Park East, Suite 300, Los Angeles, California 90067, to the attention of Gary Owen Caris: (a) notice in writing of the prospective overbidder's intent to overbid; (b) written verification from a financial institution demonstrating to the Receiver's satisfaction, in its sole and absolute opinion and judgment, the prospective overbidder's ability to complete and close a purchase of the Property through sufficient funds and/or credit facilities within 20 days of the overbid session; and (c) a cashier's check in the sum of \$435,000 payable to "Ecological Fox LLC et al. Receivership QSF," which cashier's check shall become nonrefundable upon acceptance of the overbidder's overbid at the conclusion of the overbid session.

D. Overbidders shall be deemed to have completed all inspections of the Property and shall be deemed to have waived and/or removed all contingencies in favor of the Proposed Buyer under the Proposed Purchase Agreement, including without limitation any contingency pertaining to inspection of title and any financing contingency, and will be required to complete a cash purchase of the Property and close escrow for the purchase of the Property within 20 days of the date of the overbid session, subject to any waiting period imposed by the title company as a requirement of its issuance of a policy of title insurance. The successful overbidder shall be required to execute a purchase agreement for the Property substantially in the form of the Proposed Purchase Agreement together with a waiver of all buyer contingencies promptly after conclusion of the overbid session and to otherwise generally perform in the manner provided in the Proposed Purchase Agreement.

E. The initial overbid shall be in the amount of \$14,230,000, representing an amount that is \$400,000 higher than the purchase price under the Proposed Purchase Agreement,

and all subsequent overbids shall be in an amount at least \$100,000 higher than the preceding bid.

2. Providing that, pursuant to the Proposed Purchase Agreement and the Receiver's Residential Listing Agreement with its broker, a copy of which is attached as Exhibit 2 to the Johnson Declaration, a sales commission in the amount of 4% of the purchase price paid by the Proposed Buyer or, if a higher overbid is received and accepted at the overbid session, by the winning overbidder, shall be paid from the proceeds of the sale at close of escrow, and no other sales commission shall be paid from the proceeds of the sale or shall be paid by or be the responsibility of the Receiver under any circumstances.

3. Providing that the sale of the Property by private sale to the Proposed Buyer under the Proposed Purchase Agreement, or to the highest qualified overbidder at the overbid session conducted pursuant to the procedures set forth herein, shall be deemed approved and confirmed by Order entered pursuant to this Motion without further notice, hearing or additional order, and without the necessity of any subsequent motion for confirmation of the sale.

4. Authorizing the Receiver to execute all documents and instruments necessary or appropriate to complete, implement, effectuate and close the sale of the Property to the Proposed Buyer or the highest qualified overbidder, including but not limited to the deed conveying title to the Property to the Proposed Buyer or the highest qualified overbidder.

5. Providing that the sale of the Property to the Proposed Buyer or to the highest qualified overbidder at the overbid session conducted pursuant to the procedures set forth in this Motion is being sold in an "as is" condition, without any warranties or representations, with all faults known and unknown, as more particularly set forth in the Proposed Purchase Agreement.

6. Providing that a sale to the Proposed Buyer or any successful overbidder is an arm's length transaction and the purchase price is fair and reasonable.

7. Authorizing the Receiver to permit and/or cause to be paid from the proceeds of sale all ordinary and customary closing costs, all costs and expenses required to be paid pursuant to the terms of the Proposed Purchase Agreement by the Receiver from the proceeds of sale, the sales commission described above at paragraph 2, all real property tax liens and prorated real property taxes due up to the date of closing, the amounts owed under the promissory note secured by a first trust deed lien on the Property and the amounts owed under the promissory note secured by a second trust deed lien on the Property, as generally described in the pleadings filed in support of this Motion.

8. Providing that all net proceeds from the sale of the Property, after payment of the valid liens and encumbrances and costs of sale ("Net Proceeds"), as set forth above at paragraph 7, shall be paid to the Receiver on behalf of the receivership estate, that the Receiver shall have the sole and exclusive right to all of the Net Proceeds from the sale, on behalf of the receivership estate, and that the Net Proceeds shall become property of the receivership estate free and clear of all other liens and encumbrances, if any exist.

9. Providing that any licensed title insurer, the Proposed Buyer and the successful overbidder at the overbid session conducted pursuant to the procedures set forth in this Order may rely on said Order as authorizing the Receiver to transfer legal title to the Property free and clear of all liens and encumbrances.

10. Providing for such additional and further relief as may be necessary or appropriate to enable the Receiver to effectuate the sale of the Property, including without limitation the

entry of an order authorizing such sale in form acceptable to the title company insuring title in connection with such sale.

This Motion is made pursuant to 28 U.S.C. § 2001, the Order Appointing Marc-Philip Ferzan as Receiver, the Stipulated Order for Final Judgment Against Relief Defendants Angela Chittenden and Beach Bunny Holdings LLC (Doc. 819) and all other relevant orders entered in this action.

Dated: November 8, 2021

By: /s/ Gary Owen Caris

Gary Owen Caris, Calif. Bar No. 088918
Admitted Pro Hac Vice 11/30/18
BARNES & THORNBURG LLP
2029 Century Park East, Suite 300
Los Angeles, CA 90067
Telephone: (310) 284-3880
Facsimile: (310) 284-3894
Email: gcaris@btlaw.com

By: /s/ James E. Van Horn

James E. Van Horn (Bar No. 29210)
BARNES & THORNBURG LLP
1717 Pennsylvania Avenue, NW, Suite 500
Washington, DC 20006
Telephone: (202) 371-6351
Facsimile: (202) 289-1330
Email: jvanhorn@btlaw.com

Attorneys for Receiver, Marc-Philip Ferzan of
Ankura Consulting Group, LLC

21248922v1

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR
ORDER APPROVING AND CONFIRMING SALE OF REAL PROPERTY
COMMONLY KNOWN AS 104 KINGS PLACE, NEWPORT BEACH, CALIFORNIA
AND APPROVING PUBLICATION AND OVERBID PROCEDURES**

I. STATEMENT OF FACTS

A. Background Facts

This lawsuit was commenced on October 31, 2018 by the Federal Trade Commission (“FTC”) with its filing of a Complaint for Permanent Injunction and Other Equitable Relief (Doc. 1) (“Complaint”). The lawsuit named 17 entity defendants and seven individual defendants, in addition to five relief defendants. On November 5, 2018, the Court issued an Ex Parte Temporary Restraining Order With Asset Freeze, Writs *Ne Exeat*, Appointment of a Temporary Receiver, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue (“TRO”). Under the TRO, Robb Evans & Associates LLC (“Robb Evans”) became temporary receiver over all entity defendants except for Atlantic International Bank Limited (“AIBL”) and over the assets of Andris Pukke (“Pukke”) and Peter Baker (“Baker”) valued at \$1,000 or more. The Court extended the duration of the TRO pursuant to the Interim Preliminary Injunction on November 20, 2018.

The FTC filed a motion to amend the Complaint and a proposed Amended Complaint for Permanent Injunction and Other Equitable Relief (“Amended Complaint”) on December 28, 2018 (Doc. 87) adding Michael Santos and Newport Land Group, LLC (“NLG”) as defendants. The Court granted the motion to amend on January 11, 2019 (Doc. 107). On February 13, 2019, the Court entered a Stipulated Preliminary Injunction as to Defendants Rod Kazazi, Foundation Partners, Brandi Greenfield, BG Marketing LLC, Frank Costanzo, Deborah Connelly, Ecological Fox LLC, Michael Santos, Angela Chittenden, and Beach Bunny Holdings LLC (Doc. 195) (“Stipulated Preliminary Injunction”). Under the Stipulated Preliminary Injunction, Robb Evans remained as receiver over the stipulating Receivership Entities BG Marketing, LLC, Ecological Fox, LLC, and Foundation Partners, and NLG was expressly added as a named Receivership Entity.¹

On October 3, 2019, the Court issued the Preliminary Injunction as to Defendants Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Certain Corporate Defendants, and the Estate of John Pukke (Doc. 615) (“Pukke Preliminary Injunction”). Under the Pukke Preliminary Injunction, Robb Evans was named as permanent receiver over at least 16 Receivership Entities and over Pukke’s, Baker’s and Luke Chadwick’s (“Chadwick”) assets valued at \$1,000 or more.

On November 6, 2019, a Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly (Doc. 668) (“Costanzo Judgment”) was entered. Among other things, Robb Evans remained as permanent receiver over Ecological Fox LLC under the Costanzo Judgment. Subsequently, several other stipulated judgments were entered against various Defendants and

¹ Robb Evans had already determined that NLG was a non-party Receivership Entity, in addition to previously determining that two other non-party entities, 2729 Bristol LLC and 3905 Marcus, LLC, were Receivership Entities, pursuant to Sections XVI.W and X of the TRO.

Relief Defendants, each of which vested certain duties, powers and authority in the Receiver, including the Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Brandi Greenfield and BG Marketing, LLC (Doc. 788) (“Greenfield Judgment”); Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Rod Kazazi and Foundation Partners (Doc. 789) (“Kazazi Judgment”); Stipulated Order for Final Judgment Against Relief Defendants Angela Chittenden and Beach Bunny Holdings LLC (Doc. 819) (“Chittenden Judgment”); and Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendant Michael Santos (Doc. 820) (“Santos Judgment”) (collectively, these four judgments and the Costanzo Judgment are referred to as the “Stipulated Judgments”).

On October 8, 2020 Robb Evans brought its Application for Extension of Term of Receiver Pursuant to Stipulated Judgments (Doc. 1061) (“Extension Application”), seeking an extension of the term of Robb Evans as receiver under the Stipulated Judgments through October 10, 2021. The Court entered an Order granting the Extension Application on October 29, 2020 (Doc. 1072). On October 8, 2021 Robb Evans brought its Second Application for Extension of Term of Receiver Pursuant to Stipulated Judgments (Doc. 1297) (“Second Extension Application”), seeking another extension of the term of Robb Evans as receiver under the Stipulated Judgments through October 10, 2022. The Court entered an Order granting the Second Extension Application on October 26, 2021 (Doc. 1306).

On January 13, 2021, the Court entered its Order for Permanent Injunction and Monetary Judgment Against Defaulting Defendants John Usher et al. (Doc. 1112) (“Default Judgment”). Pursuant to the Default Judgment, Robb Evans remained as permanent receiver over the Defaulting Corporate Defendants, as defined therein, and John Usher (“Usher”) was ordered to transfer his assets to Robb Evans, which would become assets of the receivership estate, with

limited exceptions as set forth in the Default Judgment. On March 24, 2021, the Court entered its Amended Final Order for Permanent Injunction and Monetary Judgment Against Defendants Andris Pukke, Peter Baker and Luke Chadwick (Doc. 1194) (“Pukke Final Judgment”). Robb Evans remained as permanent receiver over the assets of Pukke, Baker and Chadwick, with limited exceptions as set forth in the Pukke Final Judgment.

On October 7, 2021 Robb Evans filed its Statement by Receiver, Robb Evans & Associates LLC, Regarding Receiver’s Status (Doc. 1293), advising the Court that as a result of various circumstances, including the fact that Brick Kane passed away on October 2, 2021, it determined that it could no longer serve as receiver beyond the short term. The same day, the FTC filed the FTC’s Motion to Appoint Marc-Philip Ferzan of Ankura Consulting Group, LLC as Receiver (Doc. 1294) (“Successor Receiver Motion”). The Court granted the Successor Receiver Motion, and issued its Order Appointing Marc-Philip Ferzan as Receiver on October 26, 2021 (Doc. 1305) (“Successor Receiver Order”), pursuant to which Marc-Philip Ferzan of Ankura Consulting Group, LLC (“Receiver”) was appointed as successor receiver. Under the Successor Receiver Order, all orders of the Court remain effective and unchanged and the Receiver is vested with the same rights, including contract rights, powers, authority and duties as Robb Evans previously had.

Throughout the receivership, Robb Evans has asserted control over the property located at 104 Kings Place, Newport Beach, California (“Property”), held in the name of James W. Chittenden, as Family Trustee, and Alliance Trust Company, as Independent Trustee, of the AAC Family HYCET Trust Dated October 7, 2015 (“AAC Trust”),² but which is specifically

² The AAC Trust is a purported asset protection trust for the benefit of the minor children of Pukke and Angela Chittenden (“Chittenden”). AAC are Chittenden’s initials. HYCET stands for “have your cake and eat it too.”

identified as an asset of the receivership estate in the TRO and Preliminary Injunction. Pursuant to the Chittenden Judgment, the Property became an undisputed asset of the receivership estate. The Chittenden Judgment further expressly provides that Robb Evans is to liquidate, through a fair market sale or similar transaction, the Property following a motion and order from the Court approving the sale or liquidation. The Chittenden Judgment further provides that Robb Evans shall take steps to ensure that the full fair market value is obtained by the receivership estate in any sale or liquidation. In this Motion, the Receiver will demonstrate that it has complied with the Chittenden Judgment and applicable receivership law in selling the Property.

On November 13, 2018, the Trustees of the AAC Trust entered into a Residential Lease With Purchase Option (“Lease”) on the Property, after the inception of the receivership. The the Lease was entered into without Robb Evans’s knowledge or permission. The lessee under the Lease was Matthew Nunez (“Nunez”), who resided in the property with his wife Mindi Nunez and their three minor children, since on or about November 13, 2018. The Lease provides that it is for a term of three years, through November 12, 2021.

Recently, Robb Evans negotiated a comprehensive settlement with Nunez and his closely held company, Archimedes Land Development LLC (“Nunez Settlement”). Approval of the Nunez Settlement was sought pursuant to the Motion for Expedited Entry of Order Approving Settlement Agreement and Release Between Receiver and Matthew Nunez (Doc. 1292) filed October 5, 2021, which was approved by Order entered October 8, 2021 (Doc. 1296). Pursuant to the Nunez Settlement, Nunez and his family timely vacated the Property. Other relevant provisions of the Nunez Settlement are discussed below.

B. Valuing the Property, Marketing the Property and the Sale Agreement with the Proposed Buyer

The Property is an 8,232 square foot single-family residence located on a 22,500 square foot lot, the flat portion of which is approximately 15,000 square feet. It is located in an affluent area in Newport Beach, California, with views of Newport Harbor. Despite its desirable location, there is commercial property in close proximity to the Property, with attendant road noise. While the home was reconstructed fairly recently between 2013 and 2016, there is some deferred maintenance and repair work needed which led to a requested repair credit and, ultimately, a reduction in the purchase price as described in more detail below.

Since 2020, Robb Evans has been evaluating when it was best to commence efforts to sell the Property in light of the fact that Nunez was still residing in the Property, the term of the Lease did not expire until November 12, 2021 and it had not yet resolved its disputes with Nunez. In the spring of 2021, Robb Evans determined to begin to take steps to market and sell the Property. In that regard, Robb Evans solicited and received six proposals from real estate brokers to list, market and sell the Property. Each of the six brokers has extensive experience and expertise in the high-end real estate market in Newport Beach. Each of the brokers provided Robb Evans a current market analysis of comparable properties that had been sold. At Robb Evans's request, by the end of May 2021, each of the brokers provided a Broker's Opinion of Value. As discussed below, the Broker's Opinions of Value demonstrate that the proposed sale has generated fair market value for the receivership estate.

Shortly thereafter, in connection with Nunez's ongoing efforts to attempt to convince Robb Evans to enter into an agreement to sell the Property to him, Nunez provided three appraisals to Robb Evans. Each appraisal valued the Property as of early July 2021. While each

of the appraisers was well credentialed, including one certified Residential Real Estate Appraiser and two Certified General Real Estate Appraisers, one of whom was a Member of the Appraisal Institute (MAI), Robb Evans believed that, based on the Broker's Opinions of Value which it had received, the appraisals valued the Property too low, were out of step with the current market values and may have been geared to assisting Nunez in negotiating a sales price with Robb Evans that was below market value. The ultimate sale price for which Court approval is sought in this Motion demonstrates that these appraisals were, in fact, significantly below market value.³ Robb Evans had previously obtained two appraisals when discussing a potential sale of the property to Nunez in 2019, but these older appraisals further demonstrated that the market had shifted significantly upward since 2019 and were not indicative of current market value.

Robb Evans carefully evaluated each of the proposals submitted by the six brokers. All had high-quality marketing and advertising abilities and all but one provided information about substantial experience selling coastal properties in excess of \$10 million. Robb Evans ultimately decided to list the Property with Timothy Carr ("Carr") of Villa Real Estate.

Robb Evans chose Carr and Villa Real Estate for several reasons. Carr is one of five founding members of Villa Real Estate. Villa Real Estate is a large brokerage firm specializing in high-end properties in the Orange County area. Carr is exceptionally experienced and well regarded in the residential real estate market in Newport Beach, California. Carr has both a broker's license and an agent's license. He has extensive experience marketing and selling high-end properties in Orange County, California. Carr agreed to a total broker's commission of 4%,

³ So as not to chill bidding at the overbid session or impair the ability of the Receiver to sell the Property in the event that the Proposed Buyer fails to close escrow for any reason, the Receiver is not attaching the appraisals or Broker Opinions of Value to the Motion. Should the Court desire to review the valuations, the Receiver will submit them under seal.

split with a buyer's broker, or 3.5% if he represented both sides of the sale transaction. All of the other five brokers asked for a total commission of 5%, split with the buyer's broker. Given the size of any potential sale, this was a significant factor. The 1% savings results in an actual benefit to the Receiver of \$138,300 based on the sale to the Proposed Buyer. Finally, Robb Evans had prior successful experience working with Carr in connection with the sale of receivership property, including in the instant receivership, having successfully sold the property at 3905 Marcus Avenue, Newport Beach, California for \$2,250,000 (Doc. 636).

On June 17, 2021 Robb Evans entered into a Residential Listing Agreement with Villa Real Estate. The Residential Listing Agreement, without extensive related documentation, is attached to the Declaration of Kenton Johnson ("Johnson Declaration") as Exhibit 2. As set forth in the Residential Listing Agreement, Robb Evans, in consultation with Carr, decided to list the Property for \$14,995,000. While aggressively priced, the list price was generally reflective of the recommended listing prices provided by the six brokers providing proposals to Robb Evans.

Robb Evans and its broker faced delays obtaining access to the Property in order to photograph it and prepare it for marketing, while Nunez continued to reside there. It was not listed in the Multiple Listing Service until July 26, 2021. From that point, the Property was widely and extensively marketed. There were multiple showings to agents and prospective buyers. Carr marketed the Property through various print publications, including flyers and direct mailers to over 2000 addressees. The Property was advertised in the Coastal Real Estate Guide, which is inserted into the Newport Beach Independent and Laguna Beach Independent, two weekly publications with a combined circulation of 40,000. It was also advertised in the Daily Pilot as a Saturday insert in the Los Angeles Times real estate section for Coastal Orange County, with a circulation of 68,000, and was featured one time on its front cover. The Property

was also advertised in Bluedoor Magazine which is distributed in showrooms, design centers, restaurants, cafes, and other leading coastal businesses throughout Coastal Orange County, as well as the Orange County Business Journal and Newport Beach Magazine.

Carr also extensively utilized digital marketing. Carr sent e-mail blasts to over 3000 recipients. It was marketed on Facebook and Instagram. The Property was also marketed on LuxuryRealEstate.com, a premiere high-end syndication site that has approximately 477,000 monthly visitors featuring expensive real estate. It also appeared in the Wall Street Journal's websites worldwide. The Property was also advertised to a wide network of real estate websites, including Realtor.com, Zillow and Redfin. The Property appeared in over 110,000 searches at Realtor.com and the listing details were viewed over 3,000 times at that site. It was viewed 2,215 times within 30 days of its posting on Zillow.

As a result of these extensive marketing efforts, Robb Evans received two written offers. One was for \$12 million, but was contingent on the sale of another property and the offeror never increased his original offer. The other was from Francis Tran ("Tran") for \$13 million on August 15, 2021. After negotiations spanning more than two weeks, Tran and Robb Evans agreed on a \$14 million purchase price. During the contingency period, Tran had an inspection done of the property which reflected the need for various repair and maintenance work. Further negotiations ensued and Robb Evans agreed to a \$170,000 reduction in the purchase price in lieu of it undertaking this work. The final, agreed upon purchase price became \$13,830,000. The purchase agreement is reflected in the California Residential Purchase Agreement and Joint Escrow Instructions dated August 15, 2021 and related documents; Seller Multiple Counter Offer No. 1, comprised of the Seller's Addenda No. 1 dated August 24, 2021 which includes the Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021, "AS-IS" Purchase

addendum and Additional Terms addendum; Buyer Counteroffer No. 1 dated August 30, 2021; Seller Multiple Counter Offer No. 2 dated September 1, 2021; Buyer Counteroffer No. 2 dated September 3, 2021; Request for Repair No. 1 dated October 4, 2021; and Contingency Removal No. 2 dated October 4, 2021 (collectively, the “Proposed Purchase Agreement”). The Proposed Purchase Agreement is attached as Exhibit 1 to the Johnson Declaration. Robb Evans has been advised that Tran assigned his interest in the Proposed Purchase Agreement to his newly formed limited liability company, of which he is its sole member, Oneofour NB, LLC (“Proposed Buyer”). The Proposed Buyer is an arm’s length, well-qualified buyer. Tran has placed a non-refundable \$435,000 into escrow as an initial deposit on the Property. The Proposed Buyer intends to finance not more than \$8 million of the purchase price, although all contingencies have been waived and financing is no longer a condition to closing.

C. Proposed Sale Approval, Confirmation and Overbid Session Procedures, Terms and Conditions

In order to ensure that the Receiver maximizes value for the receivership estate, and to avoid unnecessary administrative expense through multiple motions to conclude the sale, the Receiver requests that the Court approve the following notice and overbid procedures, terms and conditions:

1. The overbid session shall be conducted within 25 days of the date of entry of the order which approves this Motion. The overbid session shall be conducted at the offices of Villa Real Estate, 136 Rochester Street, Costa Mesa, California 92627.

2. The Receiver shall cause to be published a notice of the proposed sale of the Property to a qualified bidder at the overbid session to be conducted, which notice shall state the date, time and place of the overbid session, the requirement for pre-qualification by overbidders and the terms and conditions of the overbidding and sale of the Property, as described below (“Overbid Notice”). The Receiver shall cause the Overbid Notice to be published in the Orange County Register two times prior to the date of the overbid session, with the first publication to be at least ten days prior to the date of the overbid session. The Orange County Register is a daily newspaper of general circulation in Orange County, California where the Property is located and one in which legal notices, including sale notices, are commonly published.

3. Any interested party wishing to overbid at the overbid session shall be required to pre-qualify with the Receiver not less than four business days before the overbid session by delivering to the Receiver’s counsel’s office located at 2029 Century Park East, Suite 300, Los Angeles, California 90067, to the attention of Gary Owen Caris: (a) notice in writing of the prospective overbidder’s intent to overbid; (b) written verification from a financial institution demonstrating to the Receiver’s satisfaction, in its sole and absolute opinion and judgment, the prospective overbidder’s ability to complete and close a purchase of the Property through sufficient funds and/or credit facilities within 20 days of the overbid session; and (c) a cashier’s check in the sum of \$435,000 payable to “Ecological Fox LLC et al. Receivership QSF,” which cashier’s check shall become nonrefundable upon acceptance of the overbidder’s overbid at the conclusion of the overbid session.

4. Overbidders shall be deemed to have completed all inspections of the Property and shall be deemed to have waived and/or removed all contingencies in favor of the

Proposed Buyer under the Proposed Purchase Agreement, including without limitation any contingency pertaining to inspection of title and any financing contingency, and shall be required to complete a cash purchase of the Property and close escrow for the purchase of the Property within 20 days of the date of the overbid session, subject to any waiting period imposed by the title company as a requirement of its issuance of a policy of title insurance. The successful overbidder shall be required to execute a purchase agreement for the Property substantially in the form of the Proposed Purchase Agreement, together with a waiver of all buyer contingencies promptly after conclusion of the overbid session and to otherwise generally perform in the manner provided in the Proposed Purchase Agreement.

5. The initial overbid shall be in the amount of \$14,230,000, representing an amount that is \$400,000 higher than the purchase price under the Proposed Purchase Agreement, and all subsequent overbids shall be in an amount at least \$100,000 higher than the preceding bid.

In addition, pursuant to the Proposed Purchase Agreement and the Residential Listing Agreement with Villa Real Estate, a copy of which is attached as Exhibit 2 to the Johnson Declaration, a sales commission in the amount of 4% of the purchase price paid by the Proposed Buyer or, if a higher overbid is received and accepted at the overbid session, by the winning overbidder, shall be paid from the proceeds of the sale at close of escrow, and no other sales commission shall be paid from the proceeds of the sale or shall be paid by or be the responsibility of the Receiver under any circumstance. Finally, the sale of the Property by private sale to the Proposed Buyer under the Proposed Purchase Agreement, or to the highest qualified overbidder at the overbid session conducted pursuant to the procedures set forth herein, shall be deemed approved and confirmed by Order entered pursuant to this Motion without

further notice, hearing or additional order, and without the necessity of any subsequent motion for confirmation of the sale.

D. Liens and Encumbrances Against the Property

The Property has two voluntary liens against it, which the Receiver proposes to pay off in full at the close of escrow. There is a first trust deed lien securing a promissory note with a current principal balance of approximately \$4,939,000 in favor of BofI Federal Bank, now known as Axos Bank. There is a second trust deed lien securing a promissory note with a current principal balance of \$671,712.12 presently in favor of Nunez's wholly owned company, Archimedes Land Development, LLC ("Archimedes"). This note fully matured on April 12, 2019. However, pursuant to the Nunez Settlement and its agreement with the prior note holder, Robb Evans has continued to make interest-only monthly payments on the note at the non-default rate of interest and any accrued interest due at closing will be paid at the non-default rate of interest.

II. THE SALE OF THE PROPERTY SHOULD BE APPROVED UNDER 28 U.S.C. § 2001, THE CHITTENDEN JUDGMENT AND RECEIVERSHIP LAW

Title 28 U.S.C. § 2001 sets forth the procedures pertaining to the sale of real property. Subsection (a) pertains to procedures for the public sale of real property and provides for the sale of real property by public sale at the courthouse where the receiver was first appointed, at the courthouse where most of the property is located or at such other premises as the Court directs. 28 U.S.C. § 2001(a). Section § 2001(b) of Title 28 pertains to the sale of real property at private sale. That statute provides in part:

After a hearing, of which notice to all interested parties shall be given by publication or otherwise as the court directs, the court

may order the sale of such realty or interest therein by private sale for cash or other consideration and upon such terms and conditions as the court approves, if it finds that the best interests of the estate will be served thereby.

The time, manner, terms of sale and notice thereof are regulated by the court appointing the receiver. Courts are granted discretion in setting the terms and conditions for judicial sales and the Court's discretion will not be disturbed on appeal except where abuse of discretion is shown. *United States v. Branch Coal Corp.*, 390 F. 2d 7 (3rd Cir. 1968), *cert. den.* *Sun Protection Co. v. United States*, 391 U.S. 966, 88 S. Ct. 2034 (1968). The Court has substantial discretion in receivership matters in setting the overbidding procedures applicable to sales of real property. *See Pewabic Mining Co. v. Mason*, 145 U.S. 349, 356, 36 L.Ed. 732, 12 S.Ct. 887 (1891) (the provisions for notice and other conditions shall be determined by the Court “as will in his judgment best protect the rights of all interested, and make the sale most profitable to all”). *See also Cumberland Lumber Co. v. Tunis Lumber Co.*, 171 F. 352 (4th Cir. 1909); *Bidwell v. Huff*, 176 F. 174 (5th Cir. 1909). The terms and conditions of the judicial sale that the Court may adopt are based on the facts and circumstances of each case. The discretion granted in connection with sales of assets is consistent with the broad discretion accorded to the Court sitting in equity in receivership proceedings to make orders concerning the administration and supervision of the estate that will promote equity, efficiency and cost-effectiveness in the estate's administration. *See generally Securities and Exchange Commission v. Hardy*, 803 F.2d 1034 (9th Cir. 1986); *Securities and Exchange Commission v. Black*, 163 F.3d 188, 199 (3rd Cir. 1998); *Securities and Exchange Commission v. Elliot*, 953 F.2d 1560 (11th Cir. 1992).

There are four statutory components for the approval of a private sale under § 2001(b). Each of these four components will be addressed below by providing the Court the text of the statute followed by an explanation of how the Receiver's proposed sale procedures meet the component.

1. Valuation of Property by Three Appraisers

Section 2001(b) of Title 28 states:

Before confirmation of any private sale, the court shall appoint three disinterested persons to appraise such property or different groups of three appraisers each to appraise properties of different classes or situated in different localities.

The statute does not define what constitutes an "appraisal" for the purpose of § 2001(b). Robb Evans obtained two appraisals by certified real estate appraisers in 2019 and it was provided with three more appraisals by certified real estate appraisers from Nunez valuing the property as of July 2021. The Receiver also obtained six written Broker Opinions of Value in the spring of 2021. The purchase price in the Proposed Purchase Agreement far exceeds any of the values contained in the five appraisals. Without disclosing the exact numbers so as not to chill any prospective overbidding, the purchase price in the Proposed Purchase Agreement equals or exceeds the average valuation of the six Broker Opinions of Value. These Broker Opinions of Value and appraisals demonstrate that the Receiver has adequately obtained valuation information and that the Proposed Purchase Agreement reflects fair market value for the Property. In addition, the overbid session proposed in this Motion will further test the marketplace and determine if there exists any interested buyer willing to overbid the Proposed Buyer.

As the Ninth Circuit noted in *SEC v. Hardy*, 803 F. 2d 1034, 1037 (9th Cir. 1986): “A district court’s power to supervise an equity receivership and to determine the appropriate action to be taken in the administration of the receivership is extremely broad” and subject to review under an abuse of discretion standard.

The valuations obtained by the Receiver and the opportunity for interested buyers to submit overbids at an overbid session provide ample assurance to the Court that the best price for the Property is being realized under the circumstances.

2. Private Sale Must Be For A Price At Least Two-Thirds The Amount of the Average of the Appraised Values

Section 2001(b) next provides, “No private sale shall be confirmed at a price less than two-thirds of the appraised value.”

The sale to the Proposed Buyer at \$13,830,000 vastly exceeds the minimum threshold for the price that must be achieved for a private sale given that the purchase price in the Proposed Purchase Agreement equals or exceeds the average of the six Broker Opinions of Value and far exceeds the valuations reflected in the five appraisals obtained by the Receiver. To the extent necessary in order to comply with the Chittenden Judgment, the purchase price also reflects market value because it equals or exceeds the average of the six Broker Opinions of Value and because the purchase price will be further tested in the overbid session.

3. Publication of Notice of Proposed Private Sale Once At Least Ten Days Prior to Confirmation

Section 2001(b) then provides:

Before confirmation of any private sale, the terms thereof shall be published in such newspaper or newspapers of general circulation

as the court directs at least ten days before confirmation.

The Receiver's sale procedures include a provision for publication of a notice of the opportunity for overbids to be made for the Property which expressly includes a description of the current purchase price and terms, which is cash to the receivership estate, and a closing to occur within 25 days after the overbid session concludes. The published notice will also give notice of the terms and conditions for overbids to be made, such as pre-qualification of overbidders. The Receiver proposes to publish the notice two times in the Orange County Register, a daily newspaper of general circulation where such notices are commonly published, prior to the overbid session, and the first published notice will be published more than 10 days prior to the overbid session. The ultimate sale of the Property will only be confirmed at the conclusion of the overbid session, when it is determined if a higher, qualified overbid in excess of the original offer by the Proposed Buyer has been submitted and accepted by the Receiver. Thus, this component of the statute is satisfied.

4. The Private Sale to the Proposed Purchaser May Be Confirmed Unless An Overbidder Bids At Least Ten Percent More

The last of the four components of the private sale provisions of § 2001(b) is as follows:

The private sale shall not be confirmed if a bona fide offer is made, under conditions prescribed by the court, which guarantees at least a 10 per centum increase over the price offered in the private sale.

This provision authorizes the Court to confirm the private sale so long as the Receiver sells the Property to the Proposed Buyer at \$13,830,000 or if overbids are made at the overbid session, to the highest bidder at the overbid session. Therefore, if no overbid is made that is as much as 10% over the current offer of \$13,830,000 (in other words, a bid of \$15,213,000), the

statute would permit the Court to confirm the Proposed Purchase Agreement. However, under the Receiver's proposed sale procedures, which are designed to maximize the recovery to the estate, the highest qualified bidder will be able to purchase the property with an overbid of \$14,230,000, which is approximately 2.9% over the current purchase price. This benefits the estate by maximizing the sale price without requiring an artificially high 10% overbid. Nothing in the statute prohibits the Court from confirming an overbid lower than 10% in excess over the price negotiated with the Proposed Buyer. Therefore, this component of the statute is satisfied.

Potential bidders will have an opportunity to submit overbids, and the proposed procedures and published notice of the overbid session will assure that the value of this asset is maximized for the benefit of the estate. The Receiver requests that the Court confirm the sale to the Proposed Buyer, or alternatively to the successful overbidder at the overbid session.

///

///

///

///

///

///

///

///

///

///

///

III. CONCLUSION

Based on this Memorandum of Points and Authorities and the accompanying Johnson Declaration and exhibits attached thereto, it is respectfully requested that the Court grant the relief requested in the Motion and enter the proposed order submitted herewith.

Dated: November 8, 2021

By: /s/ Gary Owen Caris

Gary Owen Caris, Calif. Bar No. 088918
Admitted Pro Hac Vice 11/30/18
BARNES & THORNBURG LLP
2029 Century Park East, Suite 300
Los Angeles, CA 90067
Telephone: (310) 284-3880
Facsimile: (310) 284-3894
Email: gcaris@btlaw.com

By: /s/ James E. Van Horn

James E. Van Horn (Bar No. 29210)
BARNES & THORNBURG LLP
1717 Pennsylvania Avenue, NW, Suite 500
Washington, DC 20006
Telephone: (202) 371-6351
Facsimile: (202) 289-1330
Email: jvanhorn@btlaw.com

Attorneys for Receiver, Marc-Philip Ferzan of
Ankura Consulting, LLC

21252138v1

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**DECLARATION OF KENTON JOHNSON IN SUPPORT OF MOTION FOR ORDER
APPROVING AND CONFIRMING SALE OF REAL PROPERTY COMMONLY
KNOWN AS 104 KINGS PLACE, NEWPORT BEACH, CALIFORNIA AND
APPROVING PUBLICATION AND OVERBID PROCEDURES**

I, Kenton Johnson, declare:

1. I am an asset manager for Robb Evans & Associates LLC (“Robb Evans”). In that capacity, I am responsible for supervising the marketing, negotiating the sale, and selling of real estate and other assets held by Robb Evans when it acts in the capacity of Court-appointed receiver. I have been directly responsible for supervising the marketing, negotiating the sale, and selling of the real property commonly known as 104 Kings Place, Newport Beach, California (“Property”) while Robb Evans was receiver in this matter. In the short time since Marc-Philip Ferzan has been successor receiver (“Receiver”) in this matter, I have continued to work with counsel for the Receiver to take steps to complete sale of the Property, which is the subject matter of this declaration. I have personal knowledge of the matters set forth in this declaration and if I were called upon to testify as to these matters I could and would competently testify thereto.

2. The memorandum of points and authorities describes in detail the various Court orders pursuant to which Robb Evans was appointed as the original receiver in this matter and

will not be repeated here. On October 7, 2021 Robb Evans filed its Statement by Receiver, Robb Evans & Associates LLC, Regarding Receiver's Status, advising the Court that as a result of various circumstances, including the fact that Brick Kane passed away on October 2, 2021, it determined that it could no longer serve as receiver beyond the short term. The same day, the FTC filed the FTC's Motion to Appoint Marc-Philip Ferzan of Ankura Consulting Group, LLC as Receiver ("Successor Receiver Motion"). The Court granted the Successor Receiver Motion, and issued its Order Appointing Marc-Philip Ferzan as Receiver on October 26, 2021 ("Successor Receiver Order"), pursuant to which Marc-Philip Ferzan of Ankura Consulting Group, LLC was appointed as successor receiver. Under the Successor Receiver Order, all orders of the Court remain effective and unchanged and the Receiver is vested with the same rights, including contract rights, powers, authority and duties as Robb Evans previously had.

3. Throughout the receivership, Robb Evans has asserted control over the Property, held in the name of James W. Chittenden, as Family Trustee, and Alliance Trust Company, as Independent Trustee, of the AAC Family HYCET Trust Dated October 7, 2015 ("AAC Trust"), but which is specifically identified as an asset of the receivership estate in the TRO and Preliminary Injunction. I have been advised that the AAC Trust is a purported asset protection trust for the benefit of the minor children of Andris Pukke and Angela Chittenden. Pursuant to the Stipulated Order for Final Judgment Against Relief Defendants Angela Chittenden and Beach Bunny Holdings LLC ("Chittenden Judgment"), the Property became an undisputed asset of the receivership estate. The Chittenden Judgment further expressly provides that Robb Evans is to liquidate, through a fair market sale or similar transaction, the Property following a motion and order from the Court approving the sale or liquidation. The Chittenden Judgment further provides that Robb Evans shall take steps to ensure that the full fair market value is obtained by

the receivership estate in any sale or liquidation.

4. On November 13, 2018, the Trustees of the AAC Trust entered into a Residential Lease With Purchase Option (“Lease”) on the Property, after the inception of the receivership. The Lease was entered into without Robb Evans’s knowledge or permission. The lessee under the Lease was Matthew Nunez (“Nunez”), who resided in the property with his wife Mindi Nunez and their three minor children, since on or about November 13, 2018. The Lease provides that it is for a term of three years, through November 12, 2021.

5. Recently, Robb Evans negotiated a comprehensive settlement with Nunez and his closely held company, Archimedes Land Development LLC (“Nunez Settlement”). Approval of the Nunez Settlement was sought pursuant to the Motion for Expedited Entry of Order Approving Settlement Agreement and Release Between Receiver and Matthew Nunez filed October 5, 2021, which was approved by Order entered October 8, 2021. Pursuant to the Nunez Settlement, Nunez and his family timely vacated the Property.

6. The Property is an 8,232 square foot single-family residence located on a 22,500 square foot lot, the flat portion of which is approximately 15,000 square feet. It is located in an affluent area in Newport Beach, California, with views of Newport Harbor. Despite its desirable location, there is commercial property in close proximity to the Property, with attendant road noise. While the home was reconstructed fairly recently between 2013 and 2016, there is some deferred maintenance and repair work needed which led to a requested repair credit and, ultimately, a reduction in the purchase price as described in more detail below.

7. Since 2020, Robb Evans has been evaluating when it was best to commence efforts to sell the Property in light of the fact that Nunez was still residing in the Property, the term of the Lease did not expire until November 12, 2021 and it had not yet resolved its disputes

with Nunez. In the spring of 2021, Robb Evans determined to begin to take steps to market and sell the Property. In that regard, I solicited and received six proposals from real estate brokers to list, market and sell the Property. Each of the six brokers has extensive experience and expertise in the high-end real estate market in Newport Beach. Each of the brokers provided Robb Evans a current market analysis of comparable properties that had been sold. At my request, by the end of May 2021, each of the brokers provided a Broker's Opinion of Value. Without disclosing the exact numbers so as not to chill any prospective overbidding, the purchase price for which approval is sought in the Motion which this declaration supports equals or exceeds the average valuation of the six Broker Opinions of Value. I believe that the Broker Opinions of Value demonstrate that the proposed sale has generated fair market value for the receivership estate.

8. Shortly thereafter, in connection with Nunez's ongoing efforts to attempt to convince Robb Evans to enter into an agreement to sell the Property to him, Nunez provided me with three appraisals of the Property. Each appraisal valued the Property as of early July 2021. While each of the appraisers was well credentialed, including one certified Residential Real Estate Appraiser and two Certified General Real Estate Appraisers, one of whom was a Member of the Appraisal Institute (MAI), Robb Evans believed that, based on the Broker's Opinions of Value which it had received, the appraisals valued the Property too low, were out of step with the current market values and may have been geared to assisting Nunez in negotiating a sales price with Robb Evans that was below market value. The ultimate sale price for which Court approval is sought in this Motion demonstrates that these appraisals were, in fact, significantly below market value. So as not to chill bidding at the overbid session or impair the ability of the Receiver to sell the Property in the event that the Proposed Buyer, as defined below, fails to close escrow for any reason, the Receiver is not attaching the appraisals or Broker Opinions of

Value to the Motion. Robb Evans had previously obtained two appraisals when discussing a potential sale of the property to Nunez in 2019, but these older appraisals further demonstrated that the market had shifted significantly upward since 2019 and were not indicative of current market value.

9. Robb Evans carefully evaluated each of the proposals submitted by the six brokers. All had high-quality marketing and advertising abilities and all but one provided information about substantial experience selling coastal properties in excess of \$10 million. Robb Evans ultimately decided to list the Property with Timothy Carr (“Carr”) of Villa Real Estate.

10. Robb Evans chose Carr and Villa Real Estate for several reasons. Carr is one of five founding members of Villa Real Estate. Villa Real Estate is a large brokerage firm specializing in high-end properties in the Orange County area. Carr is exceptionally experienced and well regarded in the residential real estate market in Newport Beach, California. Carr has both a broker’s license and an agent’s license. He has extensive experience marketing and selling high-end properties in Orange County, California. Carr agreed to a total broker’s commission of 4%, split with a buyer’s broker, or 3.5% if he represented both sides of the sale transaction. All of the other five brokers asked for a total commission of 5%, split with the buyer’s broker. Given the size of any potential sale, this was a significant factor. The 1% savings results in an actual benefit to the Receiver of \$138,300 based on the sale which is the subject of this declaration. Finally, Robb Evans had prior successful experience working with Carr in connection with the sale of receivership property, including in the instant receivership, having successfully sold the property at 3905 Marcus Avenue, Newport Beach, California for \$2,250,000.

11. On June 17, 2021 Robb Evans entered into a Residential Listing Agreement with Villa Real Estate. The Residential Listing Agreement, without extensive related documentation, is attached hereto as Exhibit 2. As set forth in the Residential Listing Agreement, Robb Evans, in consultation with Carr, decided to list the Property for \$14,995,000. While aggressively priced, the list price was generally reflective of the recommended listing prices provided by the six brokers providing proposals to Robb Evans.

12. Robb Evans and its broker faced delays obtaining access to the Property in order to photograph it and prepare it for marketing, while Nunez continued to reside there. It was not listed in the Multiple Listing Service until July 26, 2021. From that point, the Property was widely and extensively marketed. There were multiple showings to agents and prospective buyers. Carr marketed the Property through various print publications, including flyers and direct mailers to over 2000 addressees. The Property was advertised in the Coastal Real Estate Guide, which is inserted into the Newport Beach Independent and Laguna Beach Independent, two weekly publications with a combined circulation of 40,000. It was also advertised in the Daily Pilot as a Saturday insert in the Los Angeles Times real estate section for Coastal Orange County, with a circulation of 68,000, and was featured one time on its front cover. The Property was also advertised in Bluedoor Magazine which is distributed in showrooms, design centers, restaurants, cafes, and other leading coastal businesses throughout Coastal Orange County, as well as the Orange County Business Journal and Newport Beach Magazine.

13. Carr also extensively utilized digital marketing. Carr sent e-mail blasts to over 3000 recipients. It was marketed on Facebook and Instagram. The Property was also marketed on LuxuryRealEstate.com, a premiere high-end syndication site that I am advised has approximately 477,000 monthly visitors featuring expensive real estate. It also appeared in the

Wall Street Journal's websites worldwide. The Property was also advertised to a wide network of real estate websites, including Realtor.com, Zillow and Redfin. According to search statistics obtained by Carr, the Property appeared in over 110,000 searches at Realtor.com and the listing details were viewed over 3,000 times at that site. According to search statistics obtained by Carr, the Property was viewed 2,215 times within 30 days of its posting on Zillow.

14. As a result of these extensive marketing efforts, Robb Evans received two written offers. One was for \$12 million, but was contingent on the sale of another property and the offeror never increased his original offer. The other was from Francis Tran ("Tran") for \$13 million on August 15, 2021. After negotiations spanning more than two weeks, Tran and Robb Evans agreed on a \$14 million purchase price. During the contingency period, Tran had an inspection done of the property which reflected the need for various repair and maintenance work. Further negotiations ensued and Robb Evans agreed to a \$170,000 reduction in the purchase price in lieu of it undertaking this work. The final, agreed upon purchase price became \$13,830,000. The purchase agreement is reflected in the California Residential Purchase Agreement and Joint Escrow Instructions dated August 15, 2021 and related documents; Seller Multiple Counter Offer No. 1, comprised of the Seller's Addenda No. 1 dated August 24, 2021 which includes the Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021, "AS-IS" Purchase addendum and Additional Terms addendum; Buyer Counteroffer No. 1 dated August 30, 2021; Seller Multiple Counter Offer No. 2 dated September 1, 2021; Buyer Counteroffer No. 2 dated September 3, 2021; Request for Repair No. 1 dated October 4, 2021; and Contingency Removal No. 2 dated October 4, 2021 (collectively, the "Proposed Purchase Agreement"). The Proposed Purchase Agreement is attached hereto as Exhibit 1. Robb Evans has been advised that Tran assigned his interest in the Proposed Purchase Agreement to his

newly formed limited liability company, of which he is its sole member, Oneofour NB, LLC (“Proposed Buyer”). Robb Evans has determined that the Proposed Buyer is an arm’s length, well-qualified buyer. Tran has placed a non-refundable \$435,000 into escrow as an initial deposit on the Property. The Proposed Buyer intends to finance not more than \$8 million of the purchase price, although all contingencies have been waived and financing is no longer a condition to closing.

15. In order to ensure that the Receiver maximizes value for the receivership estate, and to avoid unnecessary administrative expense through multiple motions to conclude the sale, the Receiver requests that the Court approve the following notice and overbid procedures, terms and conditions:

(1) The overbid session shall be conducted within 25 days of the date of entry of the order which approves this Motion. The overbid session shall be conducted at the offices of Villa Real Estate, 136 Rochester Street, Costa Mesa, California 92627.

(2) The Receiver shall cause to be published a notice of the proposed sale of the Property to a qualified bidder at the overbid session to be conducted, which notice shall state the date, time and place of the overbid session, the requirement for pre-qualification by overbidders and the terms and conditions of the overbidding and sale of the Property, as described below (“Overbid Notice”). The Receiver shall cause the Overbid Notice to be published in the Orange County Register two times prior to the date of the overbid session, with the first publication to be at least ten days prior to the date of the overbid session. The Orange County Register is a daily newspaper of general circulation in Orange County, California where the Property is located and one in which legal notices, including sale notices, are commonly published.

(3) Any interested party wishing to overbid at the overbid session shall be required to pre-qualify with the Receiver not less than four business days before the overbid session by delivering to the Receiver's counsel's office located at 2029 Century Park East, Suite 300, Los Angeles, California 90067, to the attention of Gary Owen Caris: (a) notice in writing of the prospective overbidder's intent to overbid; (b) written verification from a financial institution demonstrating to the Receiver's satisfaction, in its sole and absolute opinion and judgment, the prospective overbidder's ability to complete and close a purchase of the Property through sufficient funds and/or credit facilities within 20 days of the overbid session; and (c) a cashier's check in the sum of \$435,000 payable to "Ecological Fox LLC et al. Receivership QSF," which cashier's check shall become nonrefundable upon acceptance of the overbidder's overbid at the conclusion of the overbid session.

(4) Overbidders shall be deemed to have completed all inspections of the Property and shall be deemed to have waived and/or removed all contingencies in favor of the Proposed Buyer under the Proposed Purchase Agreement, including without limitation any contingency pertaining to inspection of title and any financing contingency, and shall be required to complete a cash purchase of the Property and close escrow for the purchase of the Property within 20 days of the date of the overbid session, subject to any waiting period imposed by the title company as a requirement of its issuance of a policy of title insurance. The successful overbidder shall be required to execute a purchase agreement for the Property substantially in the form of the Proposed Purchase Agreement, together with a waiver of all buyer contingencies promptly after conclusion of the overbid session and to otherwise generally perform in the manner provided in the Proposed Purchase Agreement.

(5) The initial overbid shall be in the amount of \$14,230,000, representing an

amount that is \$400,000 higher than the purchase price under the Proposed Purchase Agreement, and all subsequent overbids shall be in an amount at least \$100,000 higher than the preceding bid.

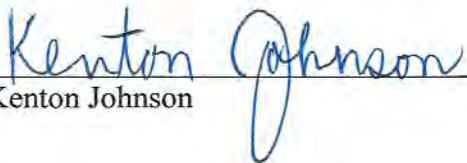
16. In addition, pursuant to the Proposed Purchase Agreement and the Residential Listing Agreement with Villa Real Estate, a sales commission in the amount of 4% of the purchase price paid by the Proposed Buyer or, if a higher overbid is received and accepted at the overbid session, by the winning overbidder, shall be paid from the proceeds of the sale at close of escrow, and no other sales commission shall be paid from the proceeds of the sale or shall be paid by or be the responsibility of the Receiver under any circumstance. Finally, the sale of the Property by private sale to the Proposed Buyer under the Proposed Purchase Agreement, or to the highest qualified overbidder at the overbid session conducted pursuant to the procedures set forth herein, shall be deemed approved and confirmed by Order entered pursuant to this Motion without further notice, hearing or additional order, and without the necessity of any subsequent motion for confirmation of the sale.

17. The Property has two voluntary liens against it, which the Receiver proposes to pay off in full at the close of escrow. There is a first trust deed lien securing a promissory note with a current principal balance of approximately \$4,939,000 in favor of Bofi Federal Bank, now known as Axos Bank. There is a second trust deed lien securing a promissory note with a current principal balance of \$671,712.12 presently in favor of Nunez's wholly owned company, Archimedes Land Development, LLC ("Archimedes"). This note fully matured on April 12, 2019. However, pursuant to the Nunez Settlement and its agreement with the prior note holder, Robb Evans has continued to make interest-only monthly payments on the note at the non-

default rate of interest and any accrued interest due at closing will be paid at the non-default rate of interest.

18. Based on my familiarity with the marketplace, my review of the six Broker Opinions of Value and the five appraisals described in this declaration, and my discussions with Carr, I believe the sale to the Proposed Buyer or to any successful overbidder will be an outstanding result for the receivership estate and generate fair market value for the Property.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on November 5, 2021 at Oceanside, California.


Kenton Johnson

21260631v1

EXHIBIT 1

Authentication ID: 0F2D58CA-173E-4581-A59E-CE3D4998D8E6 1-CE12825317D2
DocuSign Envelope ID: F053E45-D30F-4038-B390-31007CE3DA31



CALIFORNIA
ASSOCIATION
OF REALTORS

**CALIFORNIA
RESIDENTIAL PURCHASE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**
(C.A.R. Form RPA-CA, Revised 12/18)



Date Prepared: 08/15/2021

1. OFFER:

- A. THIS IS AN OFFER FROM Francis Tran ("Buyer").
- B. THE REAL PROPERTY to be acquired is 104 Kings Pl, Newport Beach, CA 92663-5703, situated in Newport Beach (City), (County), California, 92663-5703 (Zip Code), Assessor's Parcel No. _____ ("Property").
- C. THE PURCHASE PRICE offered is Thirteen Million Dollars \$ 13,000,000.00 (date) or 45 Days After Acceptance).
- 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 confirmed for this transaction:
 - Seller's Brokerage Firm Villa Real Estate License Number 01925726
 - Is the broker of (check one): the seller, or both the buyer and seller. (dual agent)
 - Seller's Agent Timothy Carr License Number 01017277
 - Is (check one): the Seller's Agent. (salesperson or broker associate) both the Buyer's and Seller's Agent. (dual agent)
 - Buyer's Brokerage Firm Berkshire Hathaway Home Services License Number 01317331
 - Is the broker of (check one): the buyer, or both the buyer and seller. (dual agent)
 - Buyer's Agent Brian Liberto License Number 01473233
 - Is (check one): the Buyer's Agent. (salesperson or broker associate) both the Buyer's and Seller's Agent. (dual agent)

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 \$ 300,000.00
 - (1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer, cashier's check, personal check, other _____ within 3 business days after Acceptance (or _____);
 - OR (2) Buyer Deposit with Agent: Buyer has given the deposit by personal check (or _____) to the agent submitting the offer (or to _____), made payable to _____.

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

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

- B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of \$ _____ within _____ Days After Acceptance (or _____). If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount in a separate liquidated damages clause (C.A.R. Form RID) at the time the increased deposit is delivered to Escrow Holder.
- C. ALL CASH OFFER: No loan is needed to purchase the Property. This offer is NOT contingent on Buyer obtaining a loan. Written verification of sufficient funds to close this transaction IS ATTACHED to this offer or Buyer shall, within 3 (or _____) Days After Acceptance, Deliver to Seller such verification.

D. LOAN(S):

- (1) FIRST LOAN: in the amount of \$ 8,000,000.00
 - This loan will be conventional financing OR FHA, VA, Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), Other Lender. 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 FHA/VA amendatory clause (C.A.R. Form FVAC) shall be a part of this Agreement.

E. ADDITIONAL FINANCING TERMS: _____

F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE in the amount of \$ 4,700,000.00 to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

G. PURCHASE PRICE (TOTAL): \$ 13,000,000.00

Buyer's Initials (FT) Seller's Initials (BL)
© 1991-2018, California Association of REALTORS®, Inc.

Authenticating ID: 9F2D59CA173E4581A595CE8D4998D9FE... 1-CE12825317D2

Property Address: **104 Kings Pl, Newport Beach, CA 92663-5703**

Date: **August 15, 2021**

- 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 checked="" type="checkbox"/> Addendum # 1 (C.A.R. Form ADM) |
| <input type="checkbox"/> Back Up Offer Addendum (C.A.R. Form BJO) <input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA) |
| <input type="checkbox"/> Septic, Well and Property Monument Addendum (C.A.R. Form SWPI) |
| <input type="checkbox"/> 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:** See Addendum #1

7. **ALLOCATION OF COSTS**

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

- (1) Buyer Seller shall pay for a natural hazard zone disclosure report, including tax environmental Other: _____ prepared by _____
- (2) Buyer Seller shall pay for the following Report _____ prepared by _____
- (3) Buyer Seller shall pay for the following Report Home Inspection prepared by _____

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.

Buyer's Initials [Signature]
RPA-CA REVISED 12/18 (PAGE 2 OF 10)

Seller's Initials [Signature] () ()



CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 2 OF 10)

Authentication ID: 9F2D58CA-173E-4581-A59E-CE8D4988DBE9
Document ID: 10053E43-D90F-4030-B930-31007CE30A31
1-CE12825317D2

Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

Date: August 15, 2021

- (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 Sellers Choice - Split Fees
- (b) Escrow Holder shall be _____
- (c) The Parties shall, within 5 (or _____) Days After receipt, sign and return Escrow Holder's general provisions.
- (2) (a) Buyer Seller shall pay for owner's title insurance policy specified in paragraph 13E _____
- (b) Owner's title policy to be issued by _____
(Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

D. OTHER COSTS:

- (1) Buyer Seller shall pay County transfer tax or fee _____
- (2) Buyer Seller shall pay City transfer tax or fee _____
- (3) Buyer Seller shall pay Homeowners' Association ("HOA") transfer fee _____
- (4) Seller shall pay HOA fees for preparing documents required to be delivered by Civil Code §4525.
- (5) Buyer Seller shall pay HOA fees for preparing all documents other than those required by Civil Code §4525.
- (6) Buyer to pay for any HOA certification fee.
- (7) Buyer Seller shall pay for any private transfer fee _____
- (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 First American Home Warranty, with the following optional coverages: Air Conditioner Pool/Spa Other: _____
Buyer is informed that home warranty plans have many optional coverages in addition to those listed above. Buyer is advised to investigate these coverages to determine those that may be suitable for Buyer.

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

8. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:

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

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

- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water features and fountains, water softeners, water purifiers, security systems/alarms and the following if checked: all stove(s), except _____; all refrigerator(s) except _____; all washer(s) and dryer(s), except _____;
- (3) The following additional items: All Furniture
- (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).

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 _____

Buyer's Initials (JA) (_____)

Seller's Initials (DL) (_____)

RPA-CA REVISED 12/18 (PAGE 3 OF 10)

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 3 OF 10)

Produced with Lone Wolf Transactions (zpfForm Edition) 231 Shearson Cr. Cambridge, Ontario, Canada N1T 1J5 www.lwol.com

104 Kings Pl



Authentication ID: 9F2D58CA-173E-4881-A58E-CF3D4928D8E6 I-CE12825317D2

Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

Date: August 15, 2021

- 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 Seller's Agent, if any, has completed and signed the Seller's Brokerage Firm section(s), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Nothing stated herein relieves a Buyer's Brokerage Firm, 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 Brokerage Firm.
 - (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 Seller's Brokerage Firm, 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, or by an electronic record satisfying the Uniform Electronic Transactions Act (UETA), 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



RPA-CA REVISED 12/18 (PAGE 4 OF 10)

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

Produced with Lone Wolf Transactions (zipForm Edition) 231 Shearson Cr. Cambridge, Ontario, Canada N1T 1J5 www.lwof.com

104 Kings Pl

Authentication ID: 9F2D58CA-173E-5681-A59E-CE8D4998D8FC 1-CE12825317D2

Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

Date: August 15, 2021

(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.

Buyer's Initials [Signature]

Seller's Initials [Signature]

RPA-CA REVISED 12/18 (PAGE 5 OF 10)

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



Authentication ID: 9F2D58CA-173E-4591-A58E-CE8D4998DBEE
DocuSign Envelope ID: FC6B3E43-D9D1-4036-B990-21007EE31A31

1-CE12825317D2

Date: August 15, 2021

Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

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 FT () ()

Seller's Initials ET () ()



RPA-CA REVISED 12/18 (PAGE 6 OF 10)

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

Produced with Lone Wolf Transactions (zpfForm Edition) 231 Shearson Cr. Cambridge, Ontario, Canada N1T 1J5 www.lwtf.com

104 Kings Pl

Authentication ID: 0f2d58ca-173e-4581-a68e-c58d4938d8e5
1-CE12825317D2
DocuSign Envelope ID: 1C0B3EAS-D59F-11E6-9330-010000000001

Date: August 15, 2021

Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

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) Whenever 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

 FT

Seller's Initials

 ET

RPA-CA REVISED 12/18 (PAGE 7 OF 10)

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 7 OF 10)

Produced with Lone Wolf Transactions (zipForm Edition) 231 Shearson Cr. Cambridge Ontario, Canada N1T 1J5 www.lwof.com

104 Kings Pl



Authentication ID: RFD2ARCA-173F-4581-A59E-CE8D4998DRE5 1-CE12825317D2

Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

Date: August 15, 2021

- 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 FT

Seller's Initials Et

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 FT

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 FT

Seller's Initials Et

RPA-CA REVISED 12/18 (PAGE 8 OF 10)

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 8 OF 10)

Authenticity ID: 0F2D5BCA-173E-4581-A58E-CE8D4988DBE6
1-CE12825317D2

Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

Date: August 15, 2021

- (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 AQA).
- 27. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
- 28. **TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the above terms and conditions. The liquidated damages paragraph or the arbitration of disputes paragraph is incorporated in this Agreement if initiated by all Parties or if incorporated by mutual agreement in a counter offer or addendum. If at least one but not all Parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.
- 29. **TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as otherwise specified, this Agreement shall be interpreted and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**
- 30. **DEFINITIONS:** As used in this Agreement:
 - A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a Party and is delivered to and personally received by the other Party or that Party's authorized agent in accordance with the terms of this offer or a final counter offer.
 - B. "Agreement" means this document and any counter offers and any incorporated addenda, collectively forming the binding agreement between the Parties. Addenda are incorporated only when Signed by all Parties.
 - C. "C.A.R. Form" means the most current version of the specific form referenced or another comparable form agreed to by the parties
 - D. "Close Of Escrow", including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded.
 - E. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.
 - F. "Days" means calendar days. However, after Acceptance, the last Day for performance of any act required by this Agreement (including Close Of Escrow) shall not include any Saturday, Sunday, or legal holiday and shall instead be the next Day.
 - G. "Days After" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 PM on the final day.
 - H. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.
 - I. "Deliver", "Delivered" or "Delivery", unless otherwise specified in writing, means and shall be effective upon: personal receipt by Buyer or Seller or the individual Real Estate Licensee for that principal as specified in the section titled Real Estate Brokers on page 10, regardless of the method used (i.e., messenger, mail, email, fax, other)
 - J. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
 - K. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency
 - L. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement
 - M. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.
- 31. **EXPIRATION OF OFFER:** This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by _____ who is authorized to receive it, by 5:00 PM on the third Day after this offer is signed by Buyer (or by AM / PM, on _____ (date)).

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

Date 08/18/2021 BUYER

(Print name) Francis Tran 8/16/2021 3:46:31 AM GMT

Date BUYER

(Print name)

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

Seller's Initials () ()

Authentication ID: 0F2D58CA-173E-4581-A59E-CE5D4987D8E6 1-CE12825317D2

Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

Date: August 15, 2021

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: 8/15/2021 SELLER

(Print name) Ecological Fox LLC Et Al Receivership QSF by Robb Evans & Associates LLC

Print Name

By: Brian Liberto

Authorizes Deputy to the Receiver

Date: SELLER

(Print name)

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

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

REAL ESTATE BROKERS:

- A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
B. Agency relationships are confirmed as stated in paragraph 2.
C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.
D. COOPERATING (BUYER'S) BROKER COMPENSATION: Seller's Broker agrees to pay Buyer's Broker and Buyer's Broker agrees to accept, out of Seller's Broker's proceeds in escrow, the amount specified in the MLS, provided Buyer's Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS.
E. PRESENTATION OF OFFER: Pursuant to Standard of Practice 1-7, if Buyer's Broker makes a written request, Seller's Broker shall confirm in writing that this offer has been presented to Seller.

Buyer's Broker: Brian Liberto, DRE Lic. # 01473233, Date: 8/15/2021 3:33:32 AM GMT, Address: 1400 E Newport Center Dr #200, City: Newport Beach, State: CA, Zip: 92663, E-mail: brianliberto@gmail.com
Seller's Brokerage Firm: Villa Real Estate, DRE Lic. # 01925726, Date: 8/26/2021 3:46 PM PDT, Address: 1400 E Newport Center Dr #200, City: Newport Beach, State: CA, Zip: 92663

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, a deposit in the amount of \$ counter offer numbers Seller's Statement of Information and and agrees to act as Escrow Holder subject to paragraph 20 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions. Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is Escrow Holder By Escrow # Address Phone/Fax/E-mail Escrow Holder has the following license number # Department of Financial Protection and Innovation, Department of Insurance, Department of Real Estate.

PRESENTATION OF OFFER: () Seller's 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

©1991- 2018, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC, a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS®, 525 South Virgil Avenue, Los Angeles, California 90020

Buyer Acknowledges that page 10 is part of this Agreement

Buyer's Initials (FL)



RPA-CA REVISED 12/18 (PAGE 10 of 10)

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

Authorization ID: 0F2D85CA-173E-4581-A59E-CE8D4998D8E6 1-CE12825317D2



CALIFORNIA ASSOCIATION OF REALTORS

BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA, Revised 11/14)



Property Address 104 Kings Pl, Newport Beach, CA 92663-5703

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 [Signature] 08/16/2021 Buyer [Signature]

©1991-2004, California Association of REALTORS®, Inc. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC, a subsidiary of the California Association of REALTORS®, 525 South Virgil Avenue, Los Angeles, California 90020

BIA REVISED 11/14 (PAGE 1 OF 1)

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



Authenticsign ID: 9F2D58CA-173F-4581-A59E-C58D4998DBE6 1-CE12825317D2



CALIFORNIA ASSOCIATION OF REALTORS

CALIFORNIA CONSUMER PRIVACY ACT ADVISORY (C.A.R. Form CCPA, 12/19)



As of January 1, 2020, the California Consumer Privacy Act (commencing with Civil Code § 1798.100) ("CCPA") grants to California residents certain rights in their private, personal information that is collected by companies with whom they do business. Under the CCPA, "personal information" is defined broadly to encompass non-public records information that could reasonably be linked directly or indirectly to you, including, potentially, photographs of or sales information about your property. Some of your personal information will be collected and likely shared with others during the process of buying and selling real estate. Depending on the situation, you may have the right to "opt out" or stop the transfer of your personal information to others and request that certain businesses delete your personal information altogether. Not all businesses you interact with are required to comply with the law, primarily just those who meet the criteria of a covered "Business" as set forth in Section 1798.140 (c)]. For more information, you may ask your Broker for a copy of the C.A.R. Legal Q&A on the subject.

A real estate broker is likely to submit personal information to a Multiple Listing Service ("MLS") in order to help find a buyer for a seller's property. Through the MLS, the information is made available to real estate brokers and salespeople, and others. Even after a sale is complete, the MLS distributes sales information to the real estate community. Brokers, agents and MLSs may also share your personal information with others who post the personal information on websites or elsewhere, or otherwise use it. Thus, there are various service providers and companies in a real estate transaction who may be engaged in using or sharing data involving your personal information.

If your broker is a covered Business, it should have a privacy policy explaining your rights on its website and giving you an opportunity to request that personal information not be shared, used and even deleted. Even if your real estate brokerage is a covered Business, it needs, and is allowed, to keep your information to effectuate a sale and, by law, is required to maintain such information for three years to comply with regulatory requirements. Not all brokers are covered Businesses, however, and those that are not, do not have to comply with the CCPA.

Similarly, most MLSs will not be considered a covered Business. Instead, the MLS may be considered a Third Party in the event a covered Business (ex: brokerages, real estate listing aggregation or advertising internet sites or other outlets who meet the criteria of covered Businesses) exchanges personal information with the MLS. You do not have the right under the CCPA to require a Third Party to delete your personal information. And like real estate brokerages, even if an MLS is a covered Business, MLSs are also required by law to retain and make accessible in its computer system any and all listing and other information for three years.

Whether an MLS is a covered Business or a Third Party, you have a right to be notified about the sharing of your personal information and your right to contact a covered Business to opt out of your personal information being used, or shared with Third Parties. Since the MLSs and/or other entities receiving your personal information do not have direct contact with buyers and sellers and also may not be aware of which entities exchanging personal information are covered Businesses, this form is being used to notify you of your rights under the CCPA and your ability to direct requests to covered Businesses not to share personal information with Third Parties. One way to limit access to your personal information, is to inform your broker or salesperson you want to opt-out of the MLS, and if so, you will be asked to sign a document (Form SELM) confirming your request to keep your listing off the MLS. However, if you do so, it may be more difficult to sell your property or obtain the highest price for it because your property will not be exposed to the greatest number of real estate licensees and others.

I/we acknowledge receipt of a copy of this California Consumer Privacy Act Advisory.

Buyer/Seller/Landlord/Tenant [Signature] Date 08/18/2021
Buyer/Seller/Landlord/Tenant [Signature] Date

© 2019, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR® REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS® 525 South Virgil Avenue, Los Angeles, California 90020



CCPA 12/19 (PAGE 1 OF 1)

CALIFORNIA CONSUMER PRIVACY ACT ADVISORY (CCPA PAGE 1 OF 1)

Authentication ID: 9F2D58CA-173E-4561-A59E-CE8D4998DBE6 1-CE12825317D2



CALIFORNIA ASSOCIATION OF REALTORS

ADDENDUM

(C.A.R. Form ADM, Revised 12/15)

No. 1

The following terms and conditions are hereby incorporated in and made a part of the: [X] Purchase Agreement, [] Residential Lease or Month-to-Month Rental Agreement, [] Transfer Disclosure Statement (Note: An amendment to the TDS may give the Buyer a right to rescind), [] Other

dated August 15, 2021, on property known as 104 Kings Pl Newport Beach, CA 92663-5703

in which Francis Tran is referred to as ("Buyer/Tenant") and ECological Fox LLC Et Al Receivership QSF by Robb Evans & Associates LLC, is referred to as ("Seller/Landlord").

Buyer agrees to buy the property "subject to the tenants lease agreement".

Buyer will rent back to the tentant if needed. (Terms to be determined in escrow)

Buyer acknowledges the Sellers legal name to be "Ecological Fox LLC Et Al Receivership QSF by Robb Evans & Associates LLC, Receiver. - As there is not enough room to add all the verbiage on the Addendum

All furniture is included

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

Date 08/16/2021

Date 8/27/2021 10:58 AM PDT

Buyer/Tenant [Signature]

Seller/Landlord [Signature] ECological Fox LLC Et Al Receivership QSF by Robb

Buyer/Tenant

Seller/Landlord

© 1986-2015, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC, a subsidiary of the California Association of REALTORS®, 525 South Virgil Avenue, Los Angeles, California 90020

ADM REVISED 12/15 (PAGE 1 OF 1)

ADDENDUM (ADM PAGE 1 OF 1)



Authorization ID: 0F2D5BCA-173E-4581-A59E-CE8D4998DBE6 I-CE12825317D2
Document ID: 1C883EAS-036F-4036-6396-31007EE30A31



CALIFORNIA
ASSOCIATION
OF REALTORS

**REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE
(FOR SELLER REPRESENTATIVES)**
(C.A.R. Form RCSD-S, Revised 6/19)

This form is not an assignment. It should not be used to add new parties after a contract has been formed. The purpose of this form is to identify who the principal is in the transaction and who has authority to sign documents on behalf of the principal.

This is a disclosure to one or more of the following: Listing Agreement, Purchase Agreement, or Other Agreement, specified below in which Ecological Fox LLC Et Al Receivership QSF by Robb Evans & Associates LLC, Receiver is identified as ("Seller").

If a trust, identify Seller as the trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust 3). Full name of trust should be identified in 1A below. If power of attorney, insert principal's name as Seller.

- 1. A. **TRUST:** (1) The Property is held in trust pursuant to a trust document, titled (full name of trust): _____
- (2) The person(s) signing below is/are Sole/Co/Successor Trustee(s) of the Trust.
- B. **ENTITY:** Seller is a Corporation, Limited Liability Company, Partnership Other: Receiver which has authorized the officer(s), managing member(s), partner(s) or person(s) signing below to act on its behalf. An authorizing resolution of the applicable body of the entity described above is is not attached.
- C. **POWER OF ATTORNEY:** Seller ("Principal") has authorized the person(s) signing below ("Attorney-In-Fact", "Power of Attorney" or "POA") to act on his/her behalf pursuant to a General Power of Attorney (Specific Power of Attorney for the Property), dated _____. **This form is not a Power of Attorney. A Power of Attorney must have already been executed before this form is used.**
- D. **ESTATE:** (1) Seller is an estate, conservatorship, guardianship, or _____ identified by Superior Court Case name as _____, Case # _____. (2) The person(s) signing below is/are court approved representatives (whether designated as Sole or Co-Executor, Administrator, Conservator, Guardian) of the estate, conservatorship or guardianship identified above.

2. Seller's Representative represents that the trust, entity or power of attorney for which that Party is acting already exists.

Seller: Discussed by
By Brick Kane Date: 6/18/2021 | 3:21 PM PDT
(Sign Name of Trustee, Officer, Managing Member, Partner, Attorney-in-Fact or Administrator/Executor)

(Print Representative Name) Brick Kane Title: Authorized Deputy to the Receiver

By _____ Date: _____
(Sign Name of Trustee, Officer, Managing Member, Partner, Attorney-in-Fact or Administrator/Executor)

(Print Representative Name) _____ Title: _____

Acknowledgement of Receipt:

AT TIME OF LISTING

Seller and Villa Real Estate ("Seller's Broker") are parties to a Listing Agreement dated 6/18/2021 for property known as 104 Kings Pl, Newport Beach, CA 92663-5703

Real Estate Broker Villa Real Estate

By Tim Carr Date: 6/17/2021 | 3:28 PM PDT
Tim Carr



REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (RCSD-S PAGE 1 OF 2)

Authentication ID: 0F2D58CA-173E-4581-A59E-CE8D4998DBE6 1-CE12825317D2
DocuSign Envelope ID: 1C8B3E25-095F-4038-B996-51007EE3DA31

AT TIME OF SALE

Seller and _____ ("Buyer") are parties to a

Purchase Agreement dated 08-15-21 for property known as 104 Kings Pl, Newport Beach, CA 92663-5703

Buyer Francis Tran Date 09/01/2021

9/1/2021 10:33:21 PM GMT

Buyer _____ Date _____

AT TIME OF OTHER AGREEMENT

Seller and _____ ("Other Party") are

parties to an _____ Agreement

dated _____, if applicable, for property known as 104 Kings Pl, Newport Beach, CA 92663-5703

Other Party _____

By _____ Date _____

© 2019, California Association of REALTORS®. Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS®. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by:
REAL ESTATE BUSINESS SERVICES, LLC.
a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS®
525 South Virgil Avenue, Los Angeles, California 90020



RCSD-S REVISED 6/19 (PAGE 2 OF 2)

REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (RCSD-S PAGE 2 OF 2)

Authenticating ID: 9F2D5BCA-173E-4581-A59E-CE8D4904BEE6 1-CE12825317D2
 AUTHENTICATED BY: CALIFORNIA ASSOCIATION OF REALTORS



CALIFORNIA
 ASSOCIATION
 OF REALTORS®

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

(C.A.R. Form PRBS, Revised 12/18)

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

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

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

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

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

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

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

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

Seller	<i>Eric Kato</i>	Ecological Fox LLC Et Al Receivership QSF by	Date	8/27/2021	10:49 AM
Seller	<i>[Signature]</i>	By: Eric Kato, Authorized Deputy to the Receiver	Date		
Buyer	<i>[Signature]</i>	Francis Tran	Date	08/16/2021	
Buyer	8/16/2021 3:44:54 AM GMT		Date		
Buyer's Brokerage Firm	Berkshire Hathaway Home Services	DRE Lic # 01317331	Date	08/15/2021	
By	<i>Brian Liberto</i>	DRE Lic # 01473233	Date	08/16/2021	
	8/16/2021 3:30 AM GMT				
Seller's Brokerage Firm	Villa Real Estate	DRE Lic # 01925726	Date	08/15/2021	
By	<i>Timothy Carr</i>	DRE Lic # 01017277	Date	8/26/2021	3:46 PM
	Timothy Carr				

© 2018, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS IF YOU DESIRE LEGAL OR TAX ADVICE. CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by:
 REAL ESTATE BUSINESS SERVICES, LLC.
 a subsidiary of the California Association of REALTORS®
 525 South Virgil Avenue, Los Angeles, California 90020

PRBS REVISED 12/18 (PAGE 1 OF 1)



POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER OR SELLER (PRBS PAGE 1 OF 1)

AuthenticID: 0F2D58CA-173E-4581-A59E-CE8D4898DBE5

1-CE12825317D2



CALIFORNIA ASSOCIATION OF REALTORS

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(Buyer's Brokerage Firm to Buyer) (As required by the Civil Code) (C.A.R. Form AD, Revised 12/18)



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

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

SELLER'S AGENT

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

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

To the Buyer and the Seller:

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

BUYER'S AGENT

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

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

To the Buyer and the Seller:

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

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

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

SELLER AND BUYER RESPONSIBILITIES

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

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

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

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

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

Buyer Seller Landlord Tenant Date 08/16/2021

Buyer Seller Landlord Tenant Date

Agent: AuthenticID Berkshire Hathaway Home Services DRE Lic # 01317331

By: Brian Liberto Real Estate Broker (Firm) DRE Lic. # 01473233 Date 08/16/2021

8/16/2021 3:33:52 AM (Salesperson or Broker-Associate, if any) Brian Liberto

© 1991-2018, California Association of REALTORS®, Inc. AD REVISED 12/18 (PAGE 1 OF 2)

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (AD PAGE 1 OF 2)

Authentication ID: 0F2D58CA-173F-4581-A59E-CE8D4988DBE8 I-CE12825317D2
DocuSign Envelope ID: F1C85E73-D9B7-4036-B996-51007EE3DA31

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

2079.13 As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

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

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

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

2079.16. Reproduced on Page 1 of this AD form.

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

CONFIRMATION: The following agency relationships are confirmed for this transaction:

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

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

2079.18 (Repealed pursuant to AB-1289)

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

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

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

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

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

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

© 1991-2018, California Association of REALTORS®, Inc
THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS®. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

Published and Distributed by
REAL ESTATE BUSINESS SERVICES, LLC
a subsidiary of the California Association of REALTORS®
525 South Virgil Avenue, Los Angeles, California 90020



AD REVISED 12/18 (PAGE 2 OF 2)
DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (AD PAGE 2 OF 2)

Authenticating ID: 0F2D58CA-173E-4581-A59E-CE8D4998DBE6
 1-CE12825317D2



ASSOCIATION
OF REALTORS®

FAIR HOUSING & DISCRIMINATION ADVISORY

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

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

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

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

© 2020, California Association of REALTORS®, Inc.
 FHDA 10/20 (PAGE 1 OF 2)



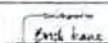
FAIR HOUSING & DISCRIMINATION ADVISORY (FHDA PAGE 1 OF 2)

Authentication ID: 0F2D5BCA-173E-4581-A59E-CE8D4988D8E6 1-CE12825317D2
DocuSign Envelope ID: FCB5EAC3-D987-4038-8390-3107CE30A31

- E. Inquiring about protected characteristics (such as asking tenant applicants if they are married, or prospective purchasers if they have children or are planning to start a family);
 - F. Using criminal history information before otherwise affirming eligibility, and without a legally sufficient justification;
 - G. Failing to assess financial standards based on the portion of the income responsible by a tenant who receives government subsidies (such as basing an otherwise neutral rent to income ratio on the whole rent rather than just the part of rent that is the tenant's responsibility);
 - H. Denying a home loan or homeowner's insurance;
 - I. Offering inferior terms, conditions, privileges, facilities or services;
 - J. Using different qualification criteria or procedures for sale or rental of housing such as income standards, application requirements, application fees, credit analyses, sale or rental approval procedures or other requirements;
 - K. Harassing a person;
 - L. Taking an adverse action based on protected characteristics;
 - M. Refusing to permit a reasonable modification to the premises, as requested by a person with a disability (such as refusing to allow a wheel chair bound tenant to install, at their expense, a ramp over front or rear steps, or refusing to allow a physically disabled tenant from installing, at their own expense, grab bars in a shower or bathtub);
 - N. Refusing to make reasonable accommodation in policies, rules, practices, or services for a person with a disability (such as the following, if an actual or prospective tenant with a disability has a service animal or support animal):
 - (i) Failing to allow that person to keep the service animal or emotional support animal in rental property.
 - (ii) Charging that person higher rent or increased security deposit, or
 - (iii) Failing to show rental or sale property to that person who is accompanied by the service animal or support animal, and;
 - O. Retaliating for asserting rights under fair housing laws.
- 10. EXAMPLES OF POSITIVE PRACTICES:**
- A. Real estate licensees working with buyers or tenants should apply the same objective property selection criteria, such as location/neighborhood, property features, and price range and other considerations, to all prospects.
 - B. Real estate licensees should provide complete and objective information to all clients based on the client's selection criteria.
 - C. Real estate licensees should provide the same professional courtesy in responding to inquiries, sharing of information and offers of assistance to all clients and prospects.
 - D. Housing providers should not make any statement or advertisement that directly or indirectly implies preference, limitation, or discrimination regarding any protected characteristic (such as "no children" or "English-speakers only").
 - E. Housing providers should use a selection process relying on objective information about a prospective buyer's offer or tenant's application and not seek any information that may disclose any protected characteristics (such as using a summary document, e.g. C.A.R. Form SUM-MO, to compare multiple offers on objective terms).
- 11. FAIR HOUSING RESOURCES:** If you have questions about your obligations or rights under the Fair Housing laws, or you think you have been discriminated against, you may want to contact one or more of the sources listed below to discuss what you can do about it, and whether the resource is able to assist you.
- A. Federal: https://www.hud.gov/program_offices/fair_housing_equal_opp
 - B. State: <https://www.dfeh.ca.gov/housing/>
 - C. Local: local Fair Housing Council office (non-profit, free service)
 - D. DRE: <https://www.dre.ca.gov/Consumers/FileComplaint.html>
 - E. Local Association of REALTORS®. List available at: <https://www.car.org/en/contactus/rosters/localassociationroster>.
 - F. Any qualified California fair housing attorney, or if applicable, landlord-tenant attorney.
- 12. LIMITED EXCEPTIONS TO FAIR HOUSING REQUIREMENTS:** No person should rely on any exception below without first seeking legal advice about whether the exception applies to their situation. Real estate licensees are not qualified to provide advice on the application of these exceptions.
- A. Legally compliant senior housing is exempt from FHA, FEHA and Unruh as related to age or familial status only;
 - B. An owner of a single-family residence who resides at the property with one lodger may be exempt from FEHA for rental purposes. PROVIDED no real estate licensee is involved in the rental;
 - C. An owner of a single-family residence may be exempt from FHA for sale or rental purposes, PROVIDED (i) no real estate licensee is involved in the sale or rental and (ii) no discriminatory advertising is used, and (iii) the owner owns no more than three single-family residences. Other restrictions apply;
 - D. An owner of residential property with one to four units who resides at the property, may be exempt from FHA for rental purposes, PROVIDED no real estate licensee is involved in the rental, and
 - E. Both FHA and FEHA do not apply to roommate situations. See, *Fair Housing Council v Roommate.com LLC*, 666 F.3d 1216 (2019).
 - F. Since both the 14th Amendment of the U.S. Constitution and the Civil Rights Act of 1866 prohibit discrimination based on race; the FHA and FEHA exemptions do not extend to discrimination based on race.

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

Buyer/Tenant  Date 08/16/2021
 Buyer/Tenant 8/16/2021 3:44:48 AM GMT Date _____

Seller/Landlord  Date 8/17/2021 10:39 AM PDT
 Seller/Landlord By: Chuck Kane, Authorized Deputy to the Receiver Date _____

© 2020, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS®. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by:
 REAL ESTATE BUSINESS SERVICES, LLC.
 a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS®
 525 South Virgil Avenue, Los Angeles, California 90020



Authentication ID: 0F2D58CA-173E-4981-A59E-CE8D4888DBE8 I-CE12825317D2



CALIFORNIA ASSOCIATION OF REALTORS

WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY (C.A.R. Form WFA, Revised 12/17)



Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703 ("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 310-477-6665

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 Francis Tran Date 08/10/2021
Buyer/Tenant 8/16/2021 3:44:58 AM GMT Date
Seller/Landlord Ecological Fox LLC Et Al Receivership QSF by Robb Evans Date 8/16/2021 11:18:18 AM EDT
Seller/Landlord By: Brock Kane, Authorized Deputy to the Receiver Date

©2016-2017, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS®. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC. a subsidiary of the California Association of REALTORS® 525 South Virgil Avenue, Los Angeles, California 90020

Authentication ID: 0F2D5BCA-173E-4561-A59E-CE3D4998DBE6 1-CE12825317D2
DocuSign Envelope ID: 1C8B3EAS-D9BF-4038-B998-5100/EE3DA31



CALIFORNIA ASSOCIATION OF REALTORS®

SELLER MULTIPLE COUNTER OFFER No. 1
(C.A.R. Form SMCO, Revised 12/15)

Date 09/01/2021

This is a counter offer to the Purchase Agreement, Other _____
dated 09/01/2021 on property known as _____
between _____
and _____

- 1. TERMS _____ terms and conditions of the above referenced document are accepted subject to the following:
 - A. P _____ the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless _____
 - F _____ need in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer.

D. The follow _____ into this Multiple Counter Offer: Addendum No. _____

2. BINDING EFFECT: _____ Multiple Counter Offer. _____ bind Seller and Buyer unless _____ of the following occur in the times specified below: _____ signs in paragraph 8 and Buyer receives a copy of the Multiple Counter Offer with _____

3. EXPIRATION OF SELLER MULTIPLE COUNTER OFFER: _____ returned to Buyer unless by 5:00PM on _____ AM _____ PM on _____

4. MARKETING TO OTHER BUYERS: Seller has _____ received, prior to Seller selection of this Multiple Counter Offer, _____ who is authorized to receive it; _____ property for sale, Seller has the right to accept any other offer

5. SELLER MAKES THIS MULTIPLE COUNTER OFFER _____ KNOWLEDGES RECEIPT OF A COPY. _____ Date _____

6. ACCEPTANCE OF SELLER MULTIPLE COUNTER OFFER: Buyer _____ the deposit, if any, shall be returned to Buyer unless by 5:00PM on the _____ then the last date) (or by _____ AM _____ PM on _____ Seller Multiple Counter Offer signed by Seller in paragraph 8 is personally _____ authorized to receive it. _____

7. ACCEPTANCE: Buyer accepts the above Multiple Counter Offer (if checked _____ X ACCEPTANCE SUBJECT TO COUNTER OFFER
_____ and acknowledges receipt of a copy. 09/01/2021 _____ AM _____ PM
Francis Tran _____ AM _____ PM
09/01/2021 11:25:30 PM GMT _____

8. SELECTION OF ACCEPTED MULTIPLE COUNTER OFFER: By signing below, Seller accepts this Multiple Counter Offer. _____
Date _____
Date _____

(_____/_____/_____) (Initials) Confirmation of Acceptance: A Copy of the Signed Seller Selection was personally received by Buyer or Buyer's authorized agent on (date) _____ at _____ AM _____ PM. A binding Agreement is created when a Copy of the Signed Seller Selection is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document.

© 2015 California Association of REALTORS® Inc. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

Published and Distributed by: REAL ESTATE BUSINESS SERVICES INC. a subsidiary of the California Association of REALTORS® 525 South Virgil Avenue, Los Angeles, California 90020



SMCO REVISED 12/15 (PAGE 1 OF 1)

SELLER MULTIPLE COUNTER OFFER (SMCO PAGE 1 OF 1)

Seller's Addenda No. 1

This Seller's Addenda No. 1 is Dated August 24, 2020

There are three (3) addenda to this Seller's Multiple Counter Offer No. 1 to California Residential Purchase Agreement and Joint Escrow Instructions signed August 16, 2017 from Francis Tran on Property located at 104 Kings Place, Newport Beach, California 92663 as follows:

- The "AS-IS" Purchase Addendum (a separate document)
- The Additional Terms Addendum (a separate document)
- Addendum No. 1 to Seller's Multiple Counter Offer 1 (follows below and includes multiple pages attached)

These shall be collectively referred to herein as the "Seller's Addenda." All terms and conditions set forth in Seller's Addenda are incorporated into the Seller's Multiple Counter Offer No. 1 and shall supersede all conflicting terms and conditions contained in the Seller's Multiple Counter Offer No. 1.

Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021 Page 1 of 5 Pages

Seller Reserves the Right to Select the Acceptable Offer

This Addendum No. 1 continues on the subsequent pages and counters specific items in Buyers Offer

Buyer Initial: _____

[FF]

Seller Initial: _____

[St]

Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021

Seller is:	Ecological Fox LLC, ET AL Receivership QSF By: Robb Evans & Associates LLC, Receiver
No Arbitration	Any and all references to Arbitration within the Purchase Agreement are deleted
Hold Harmless	Any and all references in this agreement or any other agreement pertaining to the sale of this property to the Seller's release or holding of any party/parties harmless are hereby deleted.
1D Close of Escrow	Close of escrow is subject to the approval of the Court in the receivership action. Seller will make application to the Court for approval of the sale to the Buyer as soon is prudently reasonable once the following events have occurred: (a) escrow is opened; and (b) all contingencies are removed by Buyer. Seller cannot warrant that its request of the Court will be granted. All Parties understand and agree that the Court's Order must be followed. Escrow shall close within 30 days of the date on which the following events have occurred: (a) entry of an order authorizing the sale of the property to Buyer pursuant to this Agreement; and (b) satisfaction of all requirements which may be imposed by the Court as a condition to the sale, and (c) subject to any waiting period imposed by the Title Company as a requirement of their issuance of a policy of title insurance. Inability on the part of the Receiver to accomplish any of the above described requirements shall not constitute Seller default under this contract and Buyer's receives its earnest money deposit, Buyer and Seller cancel the contract, Buyer has no further claim of any kind to the property or from Seller.
3A	Initial Deposit shall be \$435,000.00
3D Loan and 3F Balance of Down Payment	Combination of the First Loan (3D) and Balance of Down Payment (3F) shall be the remaining due on Purchase Price (\$14,065,000)
3G Purchase Price	Purchase Price Shall be \$14,500,000.00
3H Verification of Down Payment	Buyer shall provide to Seller written verification of Buyer's sufficiency of Down Payment and Balance of Down Payment sufficient to close escrow on the revised purchase price of \$14,500,000 within three days of receipt of this Seller Counter Offer.
3D Loan Terms	Buyer shall provide to Seller written verification from Buyer's lender stating that, based on a review of Buyer's written application and credit report Buyer is prequalified or preapproved for any new loan sufficient to close escrow on the revised purchase price of \$14,500,000 on subject property within three days after receipt of this Seller Counter.
7 B (1)	Seller will not pay for smoke alarm, carbon monoxide device installation or water heater bracing or any other requirements. Seller will not provide a written statement of compliance. Seller is selling and buyer is buying property "AS IS" pursuant to the "AS IS" Purchase Addendum referenced herein.
7B(2)	Seller will not pay for items referenced in this section. Seller is selling and buyer is buying property "AS IS" pursuant to the "AS IS" Purchase Addendum referenced herein.

Buyer Initial: 

Seller Initial: 

Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021

7C(1)(a)	Escrow holder shall be Orange Coast Title Company Lori Fellman Certified Escrow Officer 1551 N. Tustin, Suite 300, Santa Ana, CA 92705 Office: (714) 245-7727 – Mobile:909-800-9480 / FX 714 864-3095 Email: LoriF@octitle.com
7C(2)(a)	Seller will pay for a CLTA Policy of Title Insurance
7C(2)(b)	Title Policy will be issued by Orange Coast Title Company John Fernando Senior Title Officer 1551 N. Tustin Avenue, Suite 300 Santa Ana, CA 92705 Phone: 714-558-2836 • Fax: 714-864-3050 Email: JohnF@octitle.com
7D(10) Home Warranty Plan	Buyer has not indicated who they propose pay for the Home Warranty Plan. Buyer has not Indicated the cost of the Home Warranty Plan. In the absence of this information, Seller designates Buyer will pay for Home Warranty Plan.
8B(2)&(3)&(4)&(5)&(6) Items included in and excluded from Sale	Seller is informed and believes that much of the furniture in the home is owned by the Tenant, however Seller does not have any confirmed information regarding the ownership of any items, including but not limited to appliances, window coverings, light fixtures, mirrors, etc. If the previous owner and/or tenant leave the items the Seller waives any interest in them.
9B Closing and Possession	
9D Closing and Possession Tenant -Occupied Property	Buyer acknowledges that property is occupied by a Tenant. Seller makes no representations or warranties regarding leases or agreements (oral or in writing) with Tenant. Seller shall not be responsible for removal of tenant
9 E & F	Seller has no knowledge of any information in Sections 9E & 9F. All references in this section as well as any references to seller disclosure are superseded by the 'AS IS' addendum. Seller is selling and Buyer is buying pursuant to the attached "AS IS" Addendum
10 A-B and 10 D-F Disclosures	Seller has no knowledge of any information in this section. Reports available through escrow from third party sources will be provided. Seller is selling and Buyer is buying pursuant to the attached "AS IS" Addendum. Seller strongly encourages Buyer to conduct a full investigations as to these and any other items pertaining to the property.

Buyer Initial: JS

Seller Initial: BT

Authenticity ID: 0F2D5BCA-173E-4581-A59F-CE8D4898DBE6 1-CE12825317D2

Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021

10C	Seller will provide Information to Escrow
-----	---

Page 3 of 5 Pages

11 Condition of Property	Seller discloses it has completed City-permitted geological work on the property to repair and enhance the slope at the rear of the property. This disclosure does not negate or nullify any provisions of the "AS IS" Purchase Addendum. Seller encourages Buyer to perform their own independent due diligence on the Geological repair and on all aspects of the property. Seller further discloses that an insurance claim was made for the above referenced work.
11(iii) Condition of Property	Delete in its entirety. Seller is selling and Buyer is buying pursuant to the attached "AS IS" Addendum
11A Condition of Property	Delete in its entirety. Seller is selling and Buyer is buying pursuant to the attached "AS IS" Addendum
11B(ii) Condition of Property	Delete in its entirety. Seller is selling and Buyer is buying pursuant to the attached "AS IS" Addendum
12B	Including the existing provisions of 12B, Buyer will give Seller 48 hours notice to arrange access to property for the purpose of Buyer investigations.
13C Title and Vesting	Delete in its entirety. Seller is selling and Buyer is buying pursuant to the attached "AS IS" Addendum
13D Title and Vesting	At the close of escrow, Buyer shall receive a Grant Deed conveying title
13E Title and Vesting	As previously referenced, Buyer shall receive a CLTA Policy of Title Insurance
16 Repairs	Seller shall not complete any repairs. Seller is selling and Buyer is buying pursuant to the attached "AS IS" Addendum
17. Proration of Property Taxes and other Items	Delete: "TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER" and replace with "TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE THE RESPONSIBILITY OF BUYER"
20A	Delete "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). Replace this with "Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute, <i>if acceptable</i> , such provisions within the time specified in paragraph 7C(1)(c).
20C	Delete in its entirety.
20D	Delete "Once Escrow holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers" Replace with "Once Escrow holder becomes aware of any of the following, Escrow Holder shall immediately notify all Parties"
22	See "No Arbitration" above Any disputes concerning this contract shall be heard by the Receivership Court

Buyer Initial: JS

Seller Initial: ET

Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021

22B	Delete in its entirety.
-----	-------------------------

Page 4 of 5 Pages

Expiration of Counter Offer.	This Counter Offer shall expire Monday, August 30, 2021 at 5:00 PM Pacific Time.
Back up Offers	After acceptance Seller shall have the right to continue to offer Seller's Property for sale for Back-up Offers.

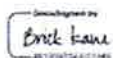
Buyer Addendum to Purchase Agreement No.1	<p>Buyer Agrees to buy the property subject to the tenants lease agreement.</p> <p>Buyer acknowledges that property is occupied by a Tenant, Buyer agrees to buy the property subject to said Tenancy.</p> <p>Seller makes no representations or warranties regarding existing leases or agreements (oral or in writing) with Tenant.</p> <p>In reference to "Buyer will rent back to the tenant if needed. (Terms to be determined in Escrow)" Seller will not be a party to any terms of Buyer's possible lease with Tenant.</p> <p>Buyer's successful negotiations with tenant during Escrow will not be a contingency of this sale.</p> <p>Buyer will satisfy itself as to its ability to arrange terms with tenant prior to opening of escrow</p> <p>Seller shall not be responsible for removal of tenant.</p> <p>The condition "All Furniture is included" shall be deleted in its entirety.</p> <p>Please reference Item 8B(2)&(3)&(4)&(5)&(6) Items included in and excluded from Sale above, which states:</p> <p>"Seller is informed and believes that much of the furniture in the home is owned by the Tenant, however Seller does not have any confirmed information regarding the ownership of any items, including but not limited to appliances, window coverings, light fixtures, mirrors, etc. If the previous owner and/or tenant leave the items the Seller waives any interest in them."</p>
---	--

Seller:

Buyer:

Ecological Fox LLC, ET AL., Receivership QSF
By Robb Evans & Associates LLC, Receiver

Francis Tran



By: Brick Kane

Authorized Deputy to the Receiver

8/27/2021 | 10:38 AM PDT


8/31/2021 2:53:48 AM GMT

Page 5 of 5 Pages

Buyer Initial: 

Seller Initial: 

Authentication ID: 0F2D58CA-173E-4581-A59E-CE8D4998DBE6 1-CE12825317D2
DocuSign Envelope ID: 7C6B3EAF-D581-4038-B390-3100/EE3DA31

Addendum No. 1 to Seller's Multiple Counter Offer 1 Dated August 24, 2021

Buyer Initial: JS

Seller Initial: dt

“AS-IS” Purchase

BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SET FORTH IN THIS AGREEMENT, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY; (B) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (C) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, AFFIRMING THAT BUYER HAS NOT RELIED ON SELLER'S SKILL OR JUDGMENT TO SELECT THE PROPERTY FOR ANY PARTICULAR PURPOSE, AND THAT SELLER MAKES NO WARRANTY THAT THE PROPERTY IS FIT FOR ANY PARTICULAR PURPOSE, (D) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY; (E) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY; (F) COMPLIANCE WITH THE PLANS SPECIFICATIONS, SIZE, LOCATION, AGE, USE, DESIGN, QUALITY, DESCRIPTION, DURABILITY, STRUCTURAL INTEGRITY, OR PHYSICAL CONDITION OF THE PROPERTY OR ANY PORTION THEREOF; (G) ANY OTHER MATTER AFFECTING THE STABILITY OR INTEGRITY OF THE LAND OR IMPROVEMENTS; (H) THE POTENTIAL FOR FURTHER DEVELOPMENT

“AS-IS-Purchase”

104 Kings Place, Newport Beach, CA 92663

OF THE PROPERTY; (I) THE ENVIRONMENTAL CONDITION OF THE PROPERTY, INCLUDING WHETHER THERE EXISTS ASBESTOS, ASBESTOS CONTAINING MATERIALS OR LEAD-BASED PAINT ON OR WITHIN THE PROPERTY; OR (J) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY. EXCEPT FOR THE REPRESENTATIONS CONTAINED HEREIN, BUYER SHALL RELY SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY, TRUTHFULNESS OR COMPLETENESS OF SUCH INFORMATION. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY PROVIDED FOR HEREIN IS MADE ON AN "AS-IS, WHERE IS" CONDITION AND BASIS AND "WITH ALL FAULTS." IT IS UNDERSTOOD AND AGREED THAT THE PROPERTY IS SOLD BY SELLER AND PURCHASED BY BUYER SUBJECT TO THE FOREGOING.

WITHOUT LIMITING BUYER'S RIGHTS TO INSPECT THE PROPERTY PRIOR TO THE CLOSE OF ESCROW, BUYER ACKNOWLEDGES IT HAS COMPLETED ALL INSPECTIONS OF THE PROPERTY THAT IT DEEMS NECESSARY AND APPROPRIATE. BUYER IS ACCEPTING THIS PROPERTY IN ITS CURRENT CONDITION (AS OF THE DATE OF THIS AGREEMENT), AND THAT, SUBJECT TO BUYER'S RIGHTS TO INSPECT THE PROPERTY

"AS-IS-Purchase"
104 Kings Place, Newport Beach, CA 92663

Authentication ID: AF2D5BCA-173E-4581-A59E-CE8D4998B8E6
DocuSign Envelope ID: FC85E7A3-D9B7-403B-B390-51007CE30A31

PRIOR TO CLOSE OF ESCROW, THE CLOSING OF THE SALE SHALL CONSTITUTE AN ACKNOWLEDGEMENT BY BUYER THAT THE PROPERTY, PREMISES AND CONSTRUCTED SYSTEMS, APPLIANCES (IF ANY) ETC, WERE ACCEPTABLE AT THE TIME THE SALE CLOSED.

Notwithstanding anything stated above, Seller represents and warrants that Seller has no actual knowledge of any material facts that would adversely affect the Property in any material manner. As used herein, the term "Seller has no actual knowledge" shall mean the actual knowledge of Seller and all those working in Seller's office. Seller discloses, however, that Seller has never resided on the Property. Seller's representation and warranty shall survive the Close of Escrow.

Nothing set forth above shall relieve Seller of its disclosure and other obligations under the Agreement and under law, including but not limited to Seller's obligations to disclose to Buyer all facts and defects actually known by Seller. As used herein, "actually known by Seller" shall mean to the actual knowledge of Seller and all those working in Seller's office.

SELLER'S INITIALS (DK / _____)

BUYER'S INITIALS (JS / _____)

SELLING BROKER'S INITIALS (TL / _____)

BUYING BROKER'S INITIALS (BL / _____)

Authentication ID: 0F2D5B8CA-173E-4581-A59E-CE8D499808E6 1-CE12825317D2

Authentication ID: F7A80F3-F089-4539-B7C5-F19685E33E33 FAC439E242DE

ADDITIONAL TERMS: (Attach to Purchase Agreements and/or Counter Offers)

This contract shall be deemed to have been made in Los Angeles, California. This contract is entered into by Robb Evans & Associates LLC in its capacity as Receiver of the assets of Ecological Fox LLC, ET AL Receivership QSF Receivership, by Robb Evans & Associates LLC, Receiver, including the property which is the subject matter of this contract, all pursuant to the authority vested in it under an Order of the United States District Court, District of Maryland. The parties hereto agree that any dispute regarding this contract and any litigation pertaining to the enforcement or interpretation hereof properly belongs in and should be heard by the United States District Court, District of Maryland. Purchaser submits and consents to personal jurisdiction in the United States District Court, District of Maryland for the enforcement and interpretation of this contract and waives any and all rights under the laws of any state or the United States of America to object to jurisdiction in the United States District Court, District of Maryland.

Right to Seek and Obtain Overbids

In order for Robb Evans & Associates LLC to faithfully discharge its duties as Receiver, it is understood and agreed by the parties hereto that Robb Evans & Associates LLC may seek and obtain overbids for the property, even if the executed contract is at or above listing price, in a manner to be determined by Court Order.

SELLER'S INITIALS RE

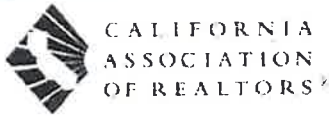
BUYER'S INITIALS RE

SELLING BROKER'S INITIALS RE

BUYING BROKER'S INITIALS RE

Additional Terms to Purchase Agreements and or Counter Offers
104 Kings Place Newport Beach CA 92663

Authentication ID: 0F2D5BCA-173E-4581-A59E-CE0D4998DBE6 I-CE12825317D2
DocuSign Envelope ID: 1C8B3EA5-D9BF-4036-B998-5100/EE3DA31



BUYER COUNTEROFFER No. 1
(C.A.R. Form BCO, 11/14)



This is a counteroffer to the: Seller Counteroffer No. _____, Seller Multiple Counteroffer No. 1, or Other _____ ("Offer"), dated August 24, 2021, on property known as 104 Kings Pl, Newport Beach, CA 92663-5703 ("Property") between Francis Tran ("Buyer") and ECological Fox LLC Et Al Receivership QSF by Robb Evans ("Seller").

- 1. **TERMS:** The terms and conditions of the above referenced document are accepted subject to the following:
 - A. Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counteroffer or an addendum.
 - B. Unless otherwise agreed in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer, but deposit amount(s) shall remain unchanged from the original Offer.
 - C. **OTHER TERMS:** Price to be \$13.5 Million

D. The following attached addenda are incorporated into this Buyer Counteroffer: Addendum No. _____

- 2. **EXPIRATION:** This Buyer Counteroffer shall be deemed revoked and the deposits, if any, shall be returned:
 - A. Unless by 5:00pm on the third Day After the date it is signed in paragraph 3 (if more than one signature then, the last signature date)(or by _____ AM _____ PM on _____ (date)) (i) it is signed in paragraph 4 by Seller and (ii) a copy of the signed Buyer Counteroffer is personally received by Buyer or _____, who is authorized to receive it.
 - OR B. If Buyer withdraws it in writing (CAR Form WOO) anytime prior to Acceptance.

3. **OFFER:** BUYER MAKES THIS COUNTEROFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY.
Buyer Francis Tran Date 8/30/2021 9:22:34 PM GMT

4. **ACCEPTANCE:** I/WE accept the above Buyer Counteroffer (If checked **SUBJECT TO THE ATTACHED COUNTEROFFER**) and acknowledge receipt of a Copy.
Seller ECological Fox LLC Et Al Receivership QSF Date 9/2/2021 | 12:06 PM PDT AM/ PM
Seller By Brick Kane, Authorized Deputy to the Receiver Date _____ Time _____ AM/ _____ PM

CONFIRMATION OF ACCEPTANCE:

(_____ / _____) (Initials) **Confirmation of Acceptance:** A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent as specified in paragraph 2A on (date) _____ at _____ AM/ _____ PM. **A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document.**

© 2014, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by:
REAL ESTATE BUSINESS SERVICES, LLC,
a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS®
525 South Virgil Avenue, Los Angeles, California 90020





CALIFORNIA ASSOCIATION OF REALTORS®

SELLER MULTIPLE COUNTER OFFER No. 2 (C.A.R. Form SMCO, Revised 12/18)

Date 09/01/2021

This is a counter offer to the: Purchase Agreement, [X] Other Buyer Counter Offer #1 ("Offer"), dated 08/30/2021, on property known as 104 Kings Pl, Newport Beach, CA 92663-5703 ("Property"), between Francis Tran ("Buyer") and Ecological Fox LLC, ET AL, Receivership QSF, By Robb Evans & Associates LLC, Receiver ("Seller").

- 1. TERMS: The terms and conditions of the above referenced document are accepted subject to the following: A. Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer. B. Unless otherwise agreed in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer, but deposit amount(s) shall remain unchanged from the original Offer. C. OTHER TERMS: 1. Purchase Price to be \$14,149,000.00.

D. The following attached addenda are incorporated into this Multiple Counter Offer: [] Addendum No. []

- 2. BINDING EFFECT: Seller is making Multiple Counter Offers to other prospective Buyers on terms that may or may not be the same as in this Multiple Counter Offer. This Multiple Counter Offer does not bind Seller and Buyer unless all of the following occur in the times specified below: Seller signs in paragraph 5, Buyer signs in paragraph 7, Seller signs in paragraph 8, and Buyer receives a copy of the Multiple Counter Offer with all of the signatures. (Note: Prior to the completion of all of the foregoing, Buyer and Seller shall have no duties or obligations for the purchase or sale of the Property.) 3. EXPIRATION OF SELLER MULTIPLE COUNTER OFFER: This Multiple Counter Offer shall be deemed revoked and the deposits, if any, shall be returned to Buyer unless by 5:00PM on the third Day After the date Seller signs in paragraph 5 (if more than one Seller, then the last date) (or by 5:00 [] AM [X] PM on 09/03/2021 (Date)), (i) it is signed in paragraph 7 by Buyer, and (ii) a copy of the Multiple Counter Offer signed by Buyer is personally received by Seller or Tim Carr, who is authorized to receive it; 4. MARKETING TO OTHER BUYERS: Seller has the right to continue to offer the Property for sale. Seller has the right to accept any other offer received, prior to Seller selection of this Multiple Counter Offer. 5. SELLER MAKES THIS MULTIPLE COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY.

Brick Kane

Ecological Fox LLC, ET AL, Receivership QSF Date 9/2/2021 | 11:19 AM

By: Brick Kane, Authorized Deputy to the Receiver

By Robb Evans & Associates LLC, Receiver Date

- 6. ACCEPTANCE OF SELLER MULTIPLE COUNTER OFFER: Buyer's acceptance of this Seller Multiple Counter Offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless by 5:00PM on the fourth Day After the date Seller signs in paragraph 5 (if more than one Seller, then the last date) (or by [] AM [] PM on (Date) (i) it is signed in paragraph 8 by Seller, and (ii) a copy of this Seller Multiple Counter Offer signed by Seller in paragraph 8 is personally received by Buyer or who is authorized to receive it.

- 7. ACCEPTANCE: Buyer accepts the above Multiple Counter Offer (if checked [X] SUBJECT TO THE ATTACHED COUNTER OFFER # BCO 2) and acknowledges receipt of a Copy.

Francis Tran

Date 09/04/2021

Francis Tran Date Time [] AM [] PM

9/4/2021 12:13:33 AM GMT

Date Time [] AM [] PM

- 8. SELECTION OF ACCEPTED MULTIPLE COUNTER OFFER: By signing below, Seller accepts this Multiple Counter Offer. NOTE TO SELLER: Do NOT sign in this box until after Buyer signs in paragraph 7. DO NOT sign in this box if this Seller Multiple Counter Offer is subject to an attached Counter Offer.

Date Time [] AM [] PM

Date Time [] AM [] PM

(/) (Initials) Confirmation of Acceptance: A Copy of the Signed Seller Selection was personally received by Buyer or Buyer's authorized agent on (date) at [] AM [] PM. A binding Agreement is created when a Copy of the Signed Seller Selection is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document.

© 2015, California Association of REALTORS®, Inc. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC. a subsidiary of the California Association of REALTORS® 525 South Virgil Avenue, Los Angeles, California 90020



SMCO REVISED 12/18 (PAGE 1 OF 1)

SELLER MULTIPLE COUNTER OFFER (SMCO PAGE 1 OF 1)

AuthenticSign ID: E66E7890-31BD-4614-AF4D-D797FF9F855A



CALIFORNIA ASSOCIATION OF REALTORS®

BUYER COUNTEROFFER No. 2 (C.A.R. Form BCO, 11/14)



This is a counteroffer to the: [] Seller Counteroffer No. [] Seller Multiple Counteroffer No. 2, or [] Other (Offer), dated August 30, 2021, on property known as 104 Kings Pl, Newport Beach, CA 92663-5703 (Property), between Francis Tran (Buyer) and EColoical Fox LLC Et Al Receivership QSF by Robb Evans (Seller).

- 1. TERMS: The terms and conditions of the above referenced document are accepted subject to the following:
A. Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counteroffer or an addendum.
B. Unless otherwise agreed in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer, but deposit amount(s) shall remain unchanged from the original Offer.
C. OTHER TERMS: Purchase Price \$14,000,000.00. BUYER IS BUYING IT IN AS IS CONDITION

D. The following attached addenda are incorporated into this Buyer Counteroffer: [] Addendum No. []

- 2. EXPIRATION: This Buyer Counteroffer shall be deemed revoked and the deposits, if any, shall be returned:
A. Unless by 5:00pm on the third Day After the date it is signed in paragraph 3 (if more than one signature then, the last signature date)(or by [] AM [] PM on (date)) (i) it is signed in paragraph 4 by Seller and (ii) a copy of the signed Buyer Counteroffer is personally received by Buyer or [], who is authorized to receive it.
OR B. If Buyer withdraws it in writing (CAR Form WOO) anytime prior to Acceptance.

3. OFFER: BUYER MAKES THIS COUNTEROFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY. Buyer Francis Tran Date 9/3/2021 11:46:04 PM GMT Francis Tran Date 09/03/2021

4. ACCEPTANCE: I/WE accept the above Buyer Counteroffer (If checked [] SUBJECT TO THE ATTACHED COUNTEROFFER) and acknowledge receipt of a Copy. Seller Ecological Fox LLC Et Al Receivership QSF Date 9/04/21 Time 12:10 AM/ [X] PM Seller By: Robb Evans + Associates, Receiver Date [] AM/ [] PM

CONFIRMATION OF ACCEPTANCE: (/) (Initials) Confirmation of Acceptance: A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent as specified in paragraph 2A on (date) at [] AM/ [] PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document.

© 2014, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC, a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS® 525 South Virgil Avenue, Los Angeles, California 90020



BCO 11/14 (PAGE 1 OF 1)

BUYER COUNTEROFFER (BCO PAGE 1 OF 1)



CALIFORNIA ASSOCIATION OF REALTORS®

REQUEST FOR REPAIR No. 1 (Or other Corrective Action) (C.A.R. Form RR, Revised 12/18)



Date Prepared: 10/04/2021

In accordance with the terms and conditions of the: Purchase Agreement or Other ("Agreement"), dated 08/30/2021, on property known as 104 Kings Pl, Newport Beach, CA 92663-5703

between Francis Tran ("Property"), and ECological Fox LLC Et Al Receivership QSF by Robb Evans & Associates LLC, ("Buyer"), ("Seller").

BUYER REQUEST (Check all that apply): (Note: Seller has no obligation to respond to Buyer request.)

1. (a) Buyer requests that Seller, prior to final verification of condition, repair or take the other specified action for each item listed below or on the attached list dated:

- (b) (i) SECTION 1: Buyer requests Seller pay to have Section 1 work completed as specified in the attached Pest Control Report dated prepared by
(ii) SECTION 2: Buyer requests Seller pay to have Section 2 work completed as specified in the attached Pest Control Report dated prepared by
(iii) If Buyer requests either Section 1 or Section 2 work above, Seller shall, no later than 5 (or) Days Prior to Close of Escrow, Deliver to Buyer a written pest control certification showing the corrective work has been completed.

(c) Buyer requests that Seller credit Buyer \$ at Close of Escrow. (Note: Any credit included in this paragraph is separate from and shall not reduce or supersede any other credit in the Agreement unless specifically agreed in writing (Addendum attached)). Credits need to be disclosed to Buyer's lender and total contractual credits may be limited pursuant to the Agreement. Total credit amount may not be enough to remedy all defects or repairs.)

(d) Buyer requests that Seller reduce the purchase price to \$ 13,830,000.00

2. A copy of the following inspection or other report is attached.

X RDM list of repairs/maintenance on the home on file

Francis Tran

Francis Tran Date 10/05/2021

Buyer Buyer

10/5/2021 2:36:47 AM GMT

SELLER RESPONSE:

X Seller agrees to all of Buyer's Request provided in writing (see below) (i) Buyer removes the physical inspection contingency, (ii) Buyer removes those contingencies identified on the attached Contingency Removal Form (C.A.R. Form CR) which must be signed by Buyer, and (iii) Buyer releases Seller and Brokers from any loss, liability, expense, claim or cause of action regarding the disclosed condition of the Property ("Release").

Seller does NOT agree to any of Buyer's requests
Seller responds to Buyer's request on the attached form (C.A.R. Form RRRR)

Seller: Kenta Johnson Date 10/5/2021 | 10:43 AM PDT Seller: Date

By: Kenta Johnson, Authorized Deputy to the Receiver

If Seller agrees to all of Buyer's request, Buyer hereby removes the physical inspection contingencies and those identified on the attached CR form signed by Buyer and agrees to the above Release.

Buyer: Date Buyer: Date

© 2018, California Association of REALTORS®, Inc. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC. a subsidiary of the California Association of REALTORS® 525 South Virgil Avenue, Los Angeles, California 90020



RR REVISED 12/18 (PAGE 1 OF 1)

REQUEST FOR REPAIR (RR PAGE 1 OF 1)



CALIFORNIA ASSOCIATION OF REALTORS®

CONTINGENCY REMOVAL No. 2 (C.A.R. Form CR, Revised, 12/20)



In accordance with the terms and conditions of the: [] Purchase Agreement, OR [X] Request For Repair (C.A.R. Form RR), [] Response And Reply To Request For Repair (C.A.R. Form RRRR), [] Amendment of Existing Agreement (C.A.R. Form AEA) or [] Other ("Agreement"),

dated 10/04/2021, on property known as 104 Kings Pl, Newport Beach, CA 92663-5703 ("Property"), between Francis Tran ("Buyer") and Ecological Fox LLC Et Al Receivership QSF by Robb Evans & Associates LLC, ("Seller").

I. BUYER REMOVAL OF BUYER CONTINGENCIES:

- 1. With respect to any contingency and cancellation right that Buyer removes, unless otherwise specified in a separate written agreement between Buyer and Seller, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations and review of reports and other applicable information and disclosures; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and, expense, if any, for Repairs, corrections, or for the inability to obtain financing. Waiver of statutory disclosures is prohibited by Law.

- 2. Buyer removes those contingencies specified below.

A. ONLY the following individually checked Buyer contingencies are removed: (Paragraph numbers refer to the California Residential Purchase Agreement (C.A.R. Form RPA-CA) unless a different form is specified.)

- 1. [] Loan (Paragraph 3J)
2. [] Appraisal (Paragraph 3I)
3. Buyer's Investigation Contingency (Paragraph 12)
a. [] Only the physical inspection portion of Buyer's Investigation (Paragraph 12)
b. [] All Buyer Investigations other than a physical inspection (Paragraph 12)
c. [] Entire Buyer's Investigation Contingency (Paragraph 12)
4. [] Condominium/Planned Development (HOA or OA) Disclosures (Paragraph 10F)
5. [] Reports/Disclosures (Paragraphs 7 and 10)
6. [] Title: Preliminary Report (Paragraph 13)
7. Sale of Buyer's Property (Paragraph 4B)
a. [] Entering into contract for Buyer's Property (COP, Paragraph 2)
b. [] Close of escrow for Buyer's Property (COP, Paragraph 4)
8. [] Review of documentation for leased or liened items (Paragraph 8B(5))
9. [] Other:
10. [] Other:

OR B. [] ALL Buyer contingencies are removed, EXCEPT: [] Loan Contingency (Paragraph 3J); [] Appraisal Contingency (Paragraph 3I); [] Contingency for the Sale of Buyer's Property (Paragraph 4B); [] Condominium/Planned Development (HOA) Disclosures (Paragraph 10F); [] Other

OR C. [X] BUYER HEREBY REMOVES ANY AND ALL BUYER CONTINGENCIES.

- 3. Once all contingencies are removed, whether or not Buyer has satisfied him/her/itself regarding all contingencies or received any information relating to those contingencies, Buyer may not be entitled to a return of Buyer's deposit if Buyer does not close escrow. This could happen even if, for example, Buyer does not approve of some aspect of the Property or lender does not approve Buyer's loan.

NOTE: Paragraph numbers refer to the California Residential Purchase Agreement (C.A.R. Form RPA-CA) unless a different form is specified. Applicable paragraph numbers for each contingency in other C.A.R. forms may be different.

Buyer Francis Tran Francis Tran Date 10/05/2021
Buyer 10/5/2021 2:36:48 AM GMT Date

II. SELLER REMOVAL OF SELLER CONTINGENCIES: Seller hereby removes the following Seller contingencies:

- [] Finding of replacement property (C.A.R. Form SPRP); [] Closing on replacement property (C.A.R. Form SPRP)
[] Other

Seller Date
Seller Date

© 2020 California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS®. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®, REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by: REAL ESTATE BUSINESS SERVICES, LLC, a subsidiary of the California Association of REALTORS®, 525 South Virgil Avenue, Los Angeles, California 90020



CR REVISED 12/20 (PAGE 1 OF 1)

CONTINGENCY REMOVAL (CR PAGE 1 OF 1)

Exhibit 2



CALIFORNIA ASSOCIATION OF REALTORS®

RESIDENTIAL LISTING AGREEMENT (Exclusive Authorization and Right to Sell) (C.A.R. Form RLA, Revised 6/20)

Date Prepared: 6/17/2021

1. EXCLUSIVE RIGHT TO SELL: Ecological Fox LLC Et Al Receivership QSF by Robb Evans & Associates LLC, Receiver("Seller") hereby employs and grants Villa Real Estate ("Broker") beginning (date) 6/18/2021 and ending at 11:59 P.M. on (date) 12/31/2021 ("Listing Period") the exclusive and irrevocable right to sell or exchange the real property described as 104 Kings Pl

situated in Newport Beach (City), Orange (County), California, 92663-5703 (Zip Code), Assessor's Parcel No. 049-202-15 ("Property").

- This Property is a manufactured (mobile) home. See Manufactured Home Listing Addendum (C.A.R. form MHLA) for additional terms.
This Property is being sold as part of a probate, conservatorship, guardianship, or receivership. See Probate Listing Addendum and Advisory (C.A.R. form PLA) for additional terms.

2. LISTING PRICE AND TERMS:

A. The listing price shall be: Fourteen Million, Nine Hundred Ninety-Five Thousand Dollars (\$ 14,995,000.00).

B. Listing Terms: See attached Seller's Addenda No. 1

3. COMPENSATION TO BROKER:

Notice: The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between Seller and Broker (real estate commissions include all compensation and fees to Broker).

A. Seller agrees to pay to Broker as compensation for services irrespective of agency relationship(s), either [X] 4.000 percent of the listing price (or if a purchase agreement is entered into, of the purchase price), or [] \$, as follows:

(1) If during the Listing Period, or any extension, Broker, cooperating broker, Seller or any other person procures a ready, willing, and able buyer(s) whose offer to purchase the Property on any price and terms is accepted by Seller, provided the Buyer completes the transaction or is prevented from doing so by Seller. (Broker is entitled to compensation whether any escrow resulting from such offer closes during or after the expiration of the Listing Period, or any extension.)

OR (2) If within 90 calendar days (a) after the end of the Listing Period or any extension; or (b) after any cancellation of this Agreement, unless otherwise agreed, Seller enters into a contract to sell, convey, lease or otherwise transfer the Property to anyone ("Prospective Buyer") or that person's related entity: (i) who physically entered and was shown the Property during the Listing Period or any extension by Broker or a cooperating broker; or (ii) for whom Broker or any cooperating broker submitted to Seller a signed, written offer to acquire, lease, exchange or obtain an option on the Property. Seller, however, shall have no obligation to Broker under paragraph 3A(2) unless, not later than the end of the Listing Period or any extension or cancellation, Broker has given Seller a written notice of the names of such Prospective Buyers.

OR (3) If, without Broker's prior written consent, the Property is withdrawn from sale, conveyed, leased, rented, otherwise transferred, or made unmarketable by a voluntary act of Seller during the Listing Period, or any extension:

B. If completion of the sale is prevented by a party to the transaction other than Seller, then compensation which otherwise would have been earned under paragraph 3A shall be payable only if and when Seller collects damages by suit, arbitration, settlement or otherwise, and then in an amount equal to the lesser of one-half of the damages recovered or the above compensation, after first deducting title and escrow expenses and the expenses of collection, if any.

C. In addition, Seller agrees to pay Broker: N/A

D. Seller has been advised of Broker's policy regarding cooperation with, and the amount of compensation offered to, other brokers.

(1) Broker is authorized to cooperate with and compensate brokers participating through the multiple listing service(s) ("MLS") by offering to MLS brokers out of Broker's compensation specified in 3A, either [X] 2.000 percent of the purchase price, or [] \$

(2) Broker is authorized to cooperate with and compensate brokers operating outside the MLS as per Broker's policy.

E. Seller hereby irrevocably assigns to Broker the above compensation from Seller's funds and proceeds in escrow. Broker may submit this Agreement, as instructions to compensate Broker pursuant to paragraph 3A, to any escrow regarding the Property involving Seller and a buyer, Prospective Buyer or other transferee.

F. (1) Seller represents that Seller has not previously entered into a listing agreement with another broker regarding the Property, unless specified as follows:

(2) Seller warrants that Seller has no obligation to pay compensation to any other broker regarding the Property unless the Property is transferred to any of the following individuals or entities: N/A

(3) If the Property is sold to anyone listed above during the time Seller is obligated to compensate another broker: (i) Broker is not entitled to compensation under this Agreement; and (ii) Broker is not obligated to represent Seller in such transaction.



Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703 Date: _____

4. A. **ITEMS EXCLUDED AND INCLUDED:** Unless otherwise specified in a real estate purchase agreement, all fixtures and fittings that are attached to the Property are included, and personal property items are excluded, from the purchase price.

ADDITIONAL ITEMS EXCLUDED: _____

ADDITIONAL ITEMS INCLUDED: _____

Seller intends that the above items be excluded or included in offering the Property for sale, but understands that: (i) the purchase agreement supersedes any intention expressed above and will ultimately determine which items are excluded and included in the sale; and (ii) Broker is not responsible for and does not guarantee that the above exclusions and/or inclusions will be in the purchase agreement.

B. (1) **LEASED OR NOT OWNED ITEMS:** The following items are leased or not owned by Seller:

- Solar power system Alarm system Propane tank Water Softener
- Other N/A

(2) **LIENED ITEMS:** The following items have been financed and a lien has been placed on the Property to secure payment:

- Solar power system Windows or doors Heating/Ventilation/Air conditioning system
- Other N/A

Seller will provide to Buyer, as part of the sales agreement, copies of lease documents, or other documents obligating Seller to pay for any such leased or liened item.

5. **MULTIPLE LISTING SERVICE:**

A. **WHAT IS AN MLS?** The MLS is a database of properties for sale that is available and disseminated to and accessible by all other real estate agents who are participants or subscribers to the MLS. As set forth in paragraph 7, participants and subscribers conducting public marketing of a property listing must submit the property information to the MLS. Property information submitted to the MLS describes the price, terms and conditions under which the Seller's property is offered for sale (including but not limited to the listing broker's offer of compensation to other brokers). It is likely that a significant number of real estate practitioners in any given area are participants or subscribers to the MLS. The MLS may also be part of a reciprocal agreement to which other multiple listing services belong. Real estate agents belonging to other multiple listing services that have reciprocal agreements with the MLS also have access to the information submitted to the MLS. The MLS may further transmit listing information to Internet sites that post property listings online.

B. **WHAT INFORMATION IS PROVIDED TO THE MLS:** All terms of the transaction, including sales price and financing, if applicable, (i) will be provided to the MLS in which the Property is listed for publication, dissemination and use by persons and entities on terms approved by the MLS, and (ii) may be provided to the MLS even if the Property was not listed with the MLS. Seller consents to Broker providing a copy of this listing agreement to the MLS if required by the MLS.

C. **WHAT IS BROKER'S MLS?** Broker is a participant/subscriber to CRMLS Multiple Listing Service (MLS) and possibly others. That MLS is (or if checked is not) the primary MLS for the geographic area of the Property. When required by paragraph 7 or by the MLS, Property will be listed with the MLS(s) specified above.

6. **BENEFITS OF USING THE MLS; IMPACT OF OPTING OUT OF THE MLS**

A. **EXPOSURE TO BUYERS THROUGH MLS:** Listing property with an MLS exposes a seller's property to all real estate agents and brokers (and their potential buyer clients) who are participants or subscribers to the MLS or a reciprocating MLS. The MLS may further transmit the MLS database to Internet sites that post property listings online.

B. **IMPACT OF OPTING OUT OF MLS:** If Seller elects to exclude the Property from the MLS, Seller understands and acknowledges that: (i) Seller is authorizing limited exposure of the Property and NO marketing or advertising of the Property to the public will occur; (ii) real estate agents and brokers from other real estate offices, and their buyer clients, who have access to that MLS may not be aware that Seller's Property is offered for sale; (iii) Information about Seller's Property will not be transmitted from the MLS to various real estate Internet sites that are used by the public to search for property listings and; (iv) real estate agents, brokers and members of the public may be unaware of the terms and conditions under which Seller is marketing the Property.

C. **REDUCTION IN EXPOSURE:** Any reduction in exposure of the Property may lower the number of offers and negatively impact the sales price.

D. **NOT LISTING PROPERTY IN A LOCAL MLS:** If the Property is listed in an MLS which does not cover the geographic area where the Property is located then real estate agents and brokers working that territory, and Buyers they represent looking for property in the neighborhood, may not be aware the Property is for sale.

Seller's Initials (dt) (_____)

Broker's/Agent's Initials (tc) (_____)

7. **PUBLIC MARKETING OF PROPERTY:**

A. **CLEAR COOPERATION POLICY:** MLS rules require Do NOT require - see 7F) that residential real property with one to four units and vacant lot listings be submitted to the MLS within 1 business day of any public marketing.

B. **PUBLIC MARKETING WITHIN CLEAR COOPERATION:** (i) Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays, digital communications marketing and email blasts, multi-brokerage listing sharing networks, marketing to closed or private listing clubs or groups, and applications available to the general public. (ii) Public marketing does not include an office exclusive listing where there is direct promotion of the listing between the brokers and licensees affiliated with the listing brokerage, and one-to-one promotion between these licensees and their clients.

C. **"COMING SOON" STATUS IMPACT ON MARKETING:** Seller is advised to discuss with Broker the meaning of "Coming Soon" as that term applies to the MLS in which the Property will be listed, and how any Coming Soon status will impact when and how a listing will be viewable to the public via the MLS. Seller does does not) authorize Broker to utilize Coming Soon status, if any.

Seller's Initials (dt) (_____)



Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

- D. **Seller Instructs Broker:** (MLS may require C.A.R. Form SELM or local equivalent form)
 - (1) Seller instructs Broker to market the Property to the public, and to start marketing on the beginning date of this Agreement or _____ (date).
 - OR (2) Seller instructs Broker NOT to market the Property to the public. Seller understands that no public marketing will occur and the scope of marketing that will occur will consist only of direct one-on-one promotion between the brokers and licensees affiliated with the listing brokerage and their respective clients.
- E. **Whether 7D(1) or 7D(2) is selected,** Seller understands and agrees that should any public marketing of the Property occur, the Property listing will be submitted to the MLS within 1 business day.
- F. **CLEAR COOPERATION POLICY DOES NOT APPLY:** Paragraphs 7A (other than the language in the parenthetical), 7B, 7D and 7E do not apply to this listing. Broker shall disclose to Seller and obtain Seller's consent for any instruction to not market the Property on the MLS or to the public.
- 8. **MLS DATA ON THE INTERNET:** MLS rules allow MLS data to be made available by the MLS to additional Internet sites unless Broker gives the MLS instructions to the contrary. Specific information that can be excluded from the Internet as permitted by (or in accordance with) the MLS is as follows:
 - A. **PROPERTY OR PROPERTY ADDRESS:** Seller can instruct Broker to have the MLS not display the Property or the Property address on the Internet (C.A.R. Form SELI). Seller understands that either of these opt-outs would mean consumers searching for listings on the Internet may not see the Property or Property's address in response to their search.
 - B. **FEATURE OPT-OUTS:** Seller can instruct Broker to advise the MLS that Seller does not want visitors to MLS Participant or Subscriber Websites or Electronic Displays that display the Property listing to have the features below (C.A.R. Form SELI). Seller understands (i) that these opt-outs apply only to Websites or Electronic Displays of MLS Participants and Subscribers who are real estate broker and agent members of the MLS; (ii) that other Internet sites may or may not have the features set forth herein; and (iii) that neither Broker nor the MLS may have the ability to control or block such features on other Internet sites.
 - (1) **COMMENTS AND REVIEWS:** The ability to write comments or reviews about the Property on those sites; or the ability to link to another site containing such comments or reviews if the link is in immediate conjunction with the Property display.
 - (2) **AUTOMATED ESTIMATE OF VALUE:** The ability to create an automated estimate of value or to link to another site containing such an estimate of value if the link is in immediate conjunction with the Property display.
 - Seller elects to opt out of certain Internet features as provided by C.A.R. Form SELI or the local equivalent form.
- 9. **SELLER REPRESENTATIONS:** ~~Seller represents that, unless otherwise specified in writing, Seller is unaware of: (i) any Notice of Default recorded against the Property; (ii) any delinquent amounts due under any loan secured by, or other obligation affecting, the Property; (iii) any bankruptcy, insolvency or similar proceeding affecting the Property; (iv) any litigation, arbitration, administrative action, government investigation or other pending or threatened action that affects or may affect the Property or Seller's ability to transfer it; and (v) any current, pending or proposed special assessments affecting the Property. Seller shall promptly notify Broker in writing if Seller becomes aware of any of these items during the Listing Period or any extension thereof.~~
- 10. **BROKER'S AND SELLER'S DUTIES:**
 - A. Broker agrees to exercise reasonable effort and due diligence to achieve the purposes of this Agreement. Unless Seller gives Broker written instructions to the contrary, Broker is authorized, but not required, to (i) order reports and disclosures including those specified in 10D as necessary, (ii) advertise and market the Property by any method and in any medium selected by Broker, including MLS and the Internet, and, to the extent permitted by these media, control the dissemination of the information submitted to any medium; and (iii) ~~disclose to any real estate licensee making an inquiry the receipt of any offers on the Property and the offering price of such offers.~~
 - B. Broker agrees to present all offers received for Seller's Property, and present them to Seller as soon as possible, unless Seller gives Broker written instructions to the contrary.
 - C. Seller agrees to consider offers presented by Broker, and to act in good faith to accomplish the sale of the Property by, among other things, making the Property available for showing at reasonable times and, subject to paragraph 3F, referring to Broker all inquiries of any party interested in the Property. Seller is responsible for determining at what price to list and sell the Property.
 - D. **Investigations and Reports:** Seller agrees, within 5 (or) Days of the beginning date of this Agreement, to pay for the following pre-sale reports: Structural Pest Control General Property Inspection Homeowners Association Documents Other _____
If Property is located in a Common Interest Development or Homeowners Association, Seller is advised that there may be benefits to obtaining any required documents prior to entering into escrow with any buyer. Such benefits may include, but not be limited to, potentially being able to lower costs in obtaining the documents and avoiding any potential delays or complications due to late or slow delivery of such documents.
 - E. ~~Seller further agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments, attorney fees and costs arising from any incorrect or incomplete information supplied by Seller, or from any material facts that Seller knows but fails to disclose including dangerous or hidden conditions on the Property.~~
- 11. **DEPOSIT:** Broker is authorized to accept and hold on Seller's behalf any deposits to be applied toward the purchase price forwarded to escrow.
- 12. **AGENCY RELATIONSHIPS:**
 - A. **Disclosure:** The Seller acknowledges receipt of a "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD).
 - B. **Seller Representation:** Broker shall represent Seller in any resulting transaction, except as specified in paragraph 3F.
 - C. **POSSIBLE DUAL AGENCY WITH BUYER:** Depending upon the circumstances, it may be necessary or appropriate for Broker

RLA REVISED 6/20 (PAGE 3 OF 5)

Seller's Initials () ()



Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

to act as an agent for both Seller and buyer, exchange party, or one or more additional parties ("Buyer"). Broker shall, as soon as practicable, disclose to Seller any election to act as a dual agent representing both Seller and Buyer. If a Buyer is procured directly by Broker or an associate-licensee in Broker's firm, Seller hereby consents to Broker acting as a dual agent for Seller and Buyer. In the event of an exchange, Seller hereby consents to Broker collecting compensation from additional parties for services rendered, provided there is disclosure to all parties of such agency and compensation. Seller understands and agrees that a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered; and except as set forth above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties.

D. CONFIRMATION: Broker shall confirm the agency relationship described above, or as modified, in writing, prior to or concurrent with Seller's execution of a purchase agreement.

E. POTENTIALLY COMPETING SELLERS AND BUYERS: Seller understands that Broker may have or obtain listings on other properties, and that potential buyers may consider, make offers on, or purchase through Broker, property the same as or similar to Seller's Property. Seller consents to Broker's representation of sellers and buyers of other properties before, during and after the end of this Agreement. Seller acknowledges receipt of a "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

13. SECURITY, INSURANCE, SHOWINGS, AUDIO AND VIDEO: Broker is not responsible for loss of or damage to personal or real property, or person, whether attributable to use of a keysafe/lockbox, a showing of the Property, or otherwise. Third parties, including, but not limited to, appraisers, inspectors, brokers and prospective buyers, may have access to, and take videos and photographs of, the interior of the Property. Seller agrees: (i) to take reasonable precautions to safeguard and protect valuables that might be accessible during showings of the Property; (ii) to obtain insurance to protect against these risks. Broker does not maintain insurance to protect Seller. Persons visiting the Property may not be aware that they could be recorded by audio or visual devices installed by Seller (such as "nanny cams" and hidden security cameras). Seller is advised to post notice disclosing the existence of security devices.

14. PHOTOGRAPHS AND INTERNET ADVERTISING:

A. In order to effectively market the Property for sale it is often necessary to provide photographs, virtual tours and other media to buyers. Seller agrees (or if checked, does not agree) that Broker or others may photograph or otherwise electronically capture images of the exterior and interior of the Property ("Images") for static and/or virtual tours of the Property by buyers and others for use on Broker's website, the MLS, and other marketing materials and sites. Seller acknowledges that if Broker engages third parties to capture and/or reproduce and display Images, the agreement between Broker and those third parties may provide such third parties with certain rights to those Images. The rights to the Images may impact Broker's control or lack of control of future use of the Images. If Seller is concerned, Seller should request that Broker provide any third parties' agreement impacting the Images. Seller also acknowledges that once Images are placed on the Internet neither Broker nor Seller has control over who can view such Images and what use viewers may make of the Images, or how long such Images may remain available on the Internet. Seller further assigns any rights in all Images to the Broker/Agent and agrees that such Images are the property of Broker/Agent and that Broker/Agent may use such Images for advertising, including post sale and for Broker/Agent's business in the future and Seller and Seller

B. Seller acknowledges that prospective buyers and/or other persons coming onto the property may take photographs, videos or other images of the property. Seller understands that Broker does not have the ability to control or block the taking and use of Images by any such persons. (If checked) Seller instructs Broker to publish in the MLS that taking of Images is limited to those persons preparing Appraisal or Inspection reports. Seller acknowledges that unauthorized persons may take images who do not have access to or have not read any limiting instruction in the MLS or who take images regardless of any limiting instruction in the MLS. Once Images are taken and/or put into electronic display on the Internet or otherwise, neither Broker nor Seller has control over who views such Images nor what use viewers may make of the Images.

15. KEYSAFE/LOCKBOX: A keysafe/lockbox is designed to hold a key to the Property to permit access to the Property by Broker, cooperating brokers, MLS participants, their authorized licensees and representatives, authorized inspectors, and accompanied prospective buyers. Seller further agrees that Broker, at Broker's discretion, and without further approval from Seller, shall have the right to grant access to and convey Seller's consent to access the Property to inspectors, appraisers, workers, repair persons, and other persons requiring entry to the Property in order to facilitate the sale of the Property. Broker, cooperating brokers, MLS and Associations/Boards of REALTORS® are not insurers against injury, theft, loss, vandalism or damage attributed to the use of a keysafe/lockbox. Seller does (or if checked does not) authorize Broker to install a keysafe/lockbox. If Seller does not occupy the Property, Seller shall be responsible for obtaining occupant(s)' written permission for use of a keysafe/lockbox (C.A.R. Form KLA).

16. SIGN: Seller does (or if checked does not) authorize Broker to install a FOR SALE/SOLD sign on the Property.

17. EQUAL HOUSING OPPORTUNITY: The Property is offered in compliance with federal, state and local anti-discrimination laws.

18. ATTORNEY FEES: In any action, proceeding or arbitration between Seller and Broker to enforce the compensation provisions of this Agreement, the prevailing Seller or Broker shall be entitled to reasonable attorney fees and costs from the non-prevailing Seller or Broker, except as provided in paragraph 22A.

19. ADDITIONAL TERMS: REO Advisory Listing (C.A.R. Form REOL) Short Sale Information and Advisory (C.A.R. Form SSIA)

Trust Advisory (C.A.R. Form TA)

Seller intends to include a contingency to purchase a replacement property as part of any resulting transaction



Property Address: 104 Kings Pl, Newport Beach, CA 92663-5703

- 20. **MANAGEMENT APPROVAL:** If an associate-licensee in Broker's office (salesperson or broker-associate) enters into this Agreement on Broker's behalf, and Broker or Manager does not approve of its terms, Broker or Manager has the right to cancel this Agreement, in writing, within 5 Days After its execution.
- 21. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon Seller and Seller's successors and assigns.
- 22. **DISPUTE RESOLUTION:**
 - A. **MEDIATION:** Seller and Broker agree to mediate any dispute or claim arising between them regarding the obligation to pay compensation under this Agreement, before resorting to arbitration or court action. 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. Exclusions from this mediation agreement are specified in paragraph 22B.
 - B. **ADDITIONAL MEDIATION TERMS:** The following matters shall be excluded from mediation: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver or violation of the mediation provisions.
 - C. **ARBITRATION ADVISORY:** If Seller and Broker desire to resolve disputes arising between them through arbitration rather than court, they can document their agreement by attaching and signing an Arbitration Agreement (C.A.R. Form ARB).
- 23. **ENTIRE AGREEMENT:** All prior discussions, negotiations and agreements between the parties concerning the subject matter of this Agreement are superseded by this Agreement, which constitutes the entire contract and a complete and exclusive expression of their agreement, 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. This Agreement and any supplement, addendum or modification, including any photocopy or facsimile, may be executed in counterparts.
- 24. **OWNERSHIP, TITLE AND AUTHORITY:** Seller warrants that: (i) Seller is the owner of the Property; (ii) no other persons or entities have title to the Property; and (iii) Seller has the authority to both execute this Agreement and sell the Property. Exceptions to ownership, title and authority are as follows: Property is sold through Receivership.

REPRESENTATIVE CAPACITY: This Listing Agreement is being signed for Seller by an individual acting in a Representative Capacity as specified in the attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-S). 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. Seller (i) represents that the entity for which the individual is signing already exists and (ii) shall Deliver to Broker, within 3 Days After Execution of this Agreement, evidence of authority to act (such as but not limited to: applicable trust document, or portion thereof, letters testamentary, court order, power of attorney, resolution, or formation documents of the business entity).

By signing below, Seller acknowledges that Seller has read, understands, received a copy of and agrees to the terms of this Agreement.

Signed by: Brick Kane Date 6/18/2021 | 3:21 PM PDT
 Seller Ecological Fox LLC Et Al Receivership QSF by Robb Evans & Associates LLC, Receiver
 Address By: Brick Kane, Authorized Deputy to the Receiver City _____ State _____ Zip _____
 Telephone _____ Fax _____ E-mail _____
 Seller _____ Date _____
 Address _____ City _____ State _____ Zip _____
 Telephone _____ Fax _____ E-mail _____

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

Real Estate Broker (Firm) Villa Real Estate DRE Lic. # 01925726
 Address 450 Newport Center Drive, Ste 100 City Newport Beach State CA Zip 92660
 By Tim Carr Tel. (949)631-9999 E-mail tc1@timcarrgroup.com DRE Lic.# 01017277 Date 6/17/2021 | 3:28 PM
 By _____ Tel. _____ E-mail _____ DRE Lic.# _____ Date _____

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

© 2020 California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by:
 REAL ESTATE BUSINESS SERVICES, LLC.
 a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS®
 525 South Virgil Avenue, Los Angeles, California 90020



RLA REVISED 6/20 (PAGE 5 OF 5)

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

[PROPOSED] ORDER GRANTING MOTION FOR ORDER APPROVING AND CONFIRMING SALE OF REAL PROPERTY COMMONLY KNOWN AS 104 KINGS PLACE, NEWPORT BEACH, CALIFORNIA AND APPROVING PUBLICATION AND OVERBID PROCEDURES

The Motion for Order Approving and Confirming Sale of Real Property Commonly Known as 104 Kings Place, Newport Beach, California and Approving Publication and Overbid Procedures (“Motion”) was brought by receiver, Marc-Philip Ferzan of Ankura Consulting Group, LLC (“Receiver”). The Court, having read and considered the Motion together with the Declaration of Kenton Johnson (“Johnson Declaration”) and all other evidence filed in support of the Motion, and all papers filed in opposition to the Motion, if any, due and proper notice of the Motion having been given to the parties and other parties in interest, and good cause appearing therefore, it is

ORDERED, ADJUDGED AND DECREED:

1. The Motion shall be and is hereby granted in its entirety.
2. The Receiver is authorized to sell the real property commonly known as 104 Kings Place, Newport Beach, California (“Property”), Assessor’s Parcel No. 049-202-15, and legally described as:

Lot 5 of Block E, Tract No. 1219, in the City of Newport Beach, County of Orange, State of California, as per Map recorded in Book 38, Pages 26

and 27 inclusive of Miscellaneous Maps in the Office of the County Recorder of said Orange County.

and discharge the proceeds in accordance with applicable law and the orders of this Court, including without limitation this Order. The sale of this Property is hereby confirmed under Title 28 U.S.C. § 2001(b).

3. The Receiver is authorized to complete the sale of the Property on an “as is” basis as more fully described in the sale contract documents by private sale to either (a) Oneofour NB LLC, assignee of Francis Tran (“Proposed Buyer”), an arm’s length buyer, at a purchase price of \$13,830,000 pursuant to the California Residential Purchase Agreement and Joint Escrow Instructions dated August 15, 2021 and related documents; Seller Multiple Counter Offer No. 1, comprised of the Seller’s Addenda No. 1 dated August 24, 2021 which includes the Addendum No. 1 to Seller’s Multiple Counter Offer 1 Dated August 24, 2021, “AS-IS” Purchase addendum and Additional Terms addendum; Buyer Counteroffer No. 1 dated August 30, 2021; Seller Multiple Counter Offer No. 2 dated September 1, 2021; Buyer Counteroffer No. 2 dated September 3, 2021; Request for Repair No. 1 dated October 4, 2021; and Contingency Removal No. 2 dated October 4, 2021 (collectively, the “Proposed Purchase Agreement”), a copy of which is attached as Exhibit 1 to the Johnson Declaration; or (b) to such higher qualified overbidder who hereafter submits the highest qualified overbid at a subsequent overbid session to be conducted under the terms and conditions more fully set forth in this Order. The sale of the Property is hereby authorized subject to the following overbid procedures, terms and conditions:

A. The overbid session shall be conducted within 25 days of the date of entry of this Order. The overbid session shall be conducted at the offices of Villa Real Estate, 136 Rochester Street, Costa Mesa, California 92627.

B. The Receiver shall cause to be published a notice of the proposed sale of the Property to a qualified bidder at the overbid session, which notice shall state the date, time and place of the overbid session, the requirement for pre-qualification by overbidders and the terms and conditions of the overbidding and sale of the Property, as described below (“Overbid Notice”). The Receiver shall cause the Overbid Notice to be published in the Orange County Register two times prior to the date of the overbid session, with the first publication to be at least ten days prior to the date of the overbid session.

C. Any interested party wishing to overbid at the overbid session shall be required to pre-qualify with the Receiver not less than four business days before the overbid session by delivering to the Receiver’s counsel’s office located at 2029 Century Park East, Suite 300, Los Angeles, California 90067, to the attention of Gary Owen Caris: (a) notice in writing of the prospective overbidder’s intent to overbid; (b) written verification from a financial institution demonstrating to the Receiver’s satisfaction, in its sole and absolute opinion and judgment, the prospective overbidder’s ability to complete and close a purchase of the Property through sufficient funds and/or credit facilities within 20 days of the overbid session; and (c) a cashier’s check in the sum of \$435,000 payable to “Ecological Fox LLC et al. Receivership QSF,” which cashier’s check shall become nonrefundable upon acceptance of the overbidder’s overbid at the conclusion of the overbid session.

D. Overbidders shall be deemed to have completed all inspections of the Property and shall be deemed to have waived and/or removed all contingencies in favor of the Proposed Buyer under the Proposed Purchase Agreement, including without limitation any contingency pertaining to inspection of title and any financing contingency, and will be required to complete a cash purchase of the Property and close escrow for the purchase of the Property within 20 days of the date of the overbid session, subject to any waiting period imposed by the title

company as a requirement of its issuance of a policy of title insurance. The successful overbidder shall be required to execute a purchase agreement for the Property substantially in the form of the Proposed Purchase Agreement together with a waiver of all buyer contingencies promptly after conclusion of the overbid session and to otherwise generally perform in the manner provided in the Proposed Purchase Agreement.

E. The initial overbid shall be in the amount of \$14,230,000, representing an amount that is \$400,000 higher than the purchase price under the Proposed Purchase Agreement, and all subsequent overbids shall be in an amount at least \$100,000 higher than the preceding bid.

4. Pursuant to the Proposed Purchase Agreement and the Receiver's Residential Listing Agreement with its broker, a copy of which is attached as Exhibit 2 to the Johnson Declaration, a sales commission in the amount of 4% of the purchase price paid by the Proposed Buyer or, if a higher overbid is received and accepted at the overbid session, by the winning overbidder, shall be paid from the proceeds of the sale at close of escrow, and no other sales commission shall be paid from the proceeds of the sale or shall be paid by or be the responsibility of the Receiver under any circumstances.

5. The sale of the Property by private sale to the Proposed Buyer under the Proposed Purchase Agreement, or to the highest qualified overbidder at the overbid session conducted pursuant to the procedures set forth in this Order, shall be and is hereby approved and confirmed by this Order without further notice, hearing or additional order, and without the necessity of any subsequent motion for confirmation of the sale.

6. The Receiver is authorized to execute all documents and instruments necessary or appropriate to complete, implement, effectuate and close the sale of the Property to the Proposed Buyer or the highest qualified overbidder, including but not limited to the deed conveying title to the Property to the Proposed Buyer or the highest qualified overbidder, as provided in this Order.

7. The sale of the Property to the Proposed Buyer or to the highest qualified overbidder at the overbid session conducted pursuant to the procedures set forth in this Order is being sold in an “as is” condition, without any warranties or representations, with all faults known and unknown, as more particularly set forth in the Proposed Purchase Agreement.

8. A sale to the Proposed Buyer or any successful overbidder is an arm’s length transaction and the purchase price is fair and reasonable.

9. The Receiver is authorized to permit and/or cause to be paid from the proceeds of sale all ordinary and customary closing costs, all costs and expenses required to be paid pursuant to the terms of the Proposed Purchase Agreement by the Receiver from the proceeds of sale, the sales commission described above at paragraph 4, all real property tax liens and prorated real property taxes due up to the date of closing, the amounts owed under the promissory note secured by a first trust deed lien on the Property and the amounts owed under the promissory note secured by a second trust deed lien on the Property.

10. All net proceeds from the sale of the Property, after payment of the valid liens and encumbrances and costs of sale (“Net Proceeds”), as set forth above at paragraph 9, shall be paid to the Receiver on behalf of the receivership estate. The Receiver shall have the sole and exclusive right to all of the Net Proceeds from the sale, on behalf of the receivership estate, and the Net Proceeds shall become property of the receivership estate free and clear of all other liens and encumbrances, if any exist.

11. Any licensed title insurer, the Proposed Buyer and the successful overbidder at the overbid session conducted pursuant to the procedures set forth in this Order may rely on this Order

as authorizing the Receiver to transfer legal title to the Property free and clear of all liens and encumbrances.

Dated:

HONORABLE PETER J. MESSITTE
UNITED STATES DISTRICT JUDGE

21248875v1