Eplus Committee Meeting

June 10, 2021 at 1:00 p.m.

Zoom Link: https://fresnoeoc.zoom.us/j/82570921649
Meeting ID: 825 7092 1649
1-669-900-6833
EPLUS COMMITTEE MEETING AGENDA

JUNE 10, 2021 at 1:00 P.M.

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF OCTOBER 9, 2019 MINUTES
   A. October 9, 2019 Eplus Committee Minutes
      Approve

4. PROMISSORY NOTE
   A. Promissory Note
      Approve

5. PUBLIC COMMENTS
   (This portion of the meeting is reserved for persons wishing to address the Committee on items within jurisdiction but not on the agenda. Comments are limited to three minutes).

6. ADJOURNMENT
MINUTES

I. CALL TO ORDER
The meeting was called to order at 5:57PM.

II. ROLL CALL
Roll was called and there was a quorum.

Committee members present: Staff present:
Jerome Countee (Chair) Rebecca Heinricy
Daniel Martinez Lynne Jones
Richard Keyes
Brian Angus

Committee members absent:
Rey Leon
Pastor Bruce McAlister

III. ACTION ITEMS
A. 2018 Tax Return
On October 9, 2019, at 6:04PM, Fresno EOC Board Secretary, Brian Angus, emailed to all members of the EPLUS Committee, Motion 1: Chief Executive Officer recommends Committee approval for the of the 2018 Federal and State tax returns for Enterprise + Economic Development Center, Inc.

Email discussion continued until October 17, 2019, at 8:30AM. The Secretary put the question to an e-vote at 8:57AM on October 17, 2019. The vote closed when all members present had voted. By a vote of 4 in favor and 0 opposed, the motion was approved.

IV. ADJOURNMENT
No other business was brought before the committee. The meeting was adjourned at 3:09PM.

Respectfully submitted,

Jerome Countee, Chair
Recommended Action

Staff recommends Committee approval for full Board consideration a 20 year promissory note to Fresno Economic Opportunities Commission Health Services program to purchase the property at 925 N Abby Street, Fresno, California, for a loan amount of $460,000.

Background

The property owner of 925 N. Abby Street reached out to Fresno EOC and expressed a desire to sell the property. After discussion with program management, Fresno EOC engaged with the owner to negotiate a purchase. In order to preserve cash, Fresno EOC decided to seek funding to procure the property and with consultation with Fresno EOC legal counsel, a promissory note was drafted between Enterprise Plus (E+) and Fresno EOC.

Fresno EOC’s Infrastructure Committee met on October 21, 2020 and approved the purchase of the property. The full Board approved the purchase on October 28, 2020.

Fiscal Impact

Enterprise+ has sufficient resources to loan Fresno EOC at low cost interest rate of 1.3%. Fresno EOC Health Services Program will repay E+ over 20 years for a total cost of the note of $523,138.

Conclusion

If approved by the Enterprise + Board, the Finance department will disburse funds to Fresno EOC in order to finalize the purchase of the real estate property. If not approved, Fresno EOC will need to seek alternate source of funding.
SECURED PROMISSORY NOTE

FOR VALUE RECEIVED, FRESNO COUNTY ECONOMIC OPPORTUNITIES COMMISSION ("Maker"), a California nonprofit public benefit corporation, promises to pay in lawful money of the United States of America, to ENTERPRISE + ECONOMIC DEVELOPMENT CENTER, INC., a California nonprofit public benefit corporation ("Holder"), at 1920 Mariposa Mall, Fresno CA 93721, or at such other address as may be designated from time to time by the holder of this Note, the principal sum of Four Hundred Sixty Thousand and No/100 Dollars ($460,000), together with interest thereon accruing from the date of this Note until paid in full, computed at a rate equal to 1.31 percent (1.31%) per annum, an amount equal to the “applicable Federal rate” (Federal mid-term rate) for December, 2020, as defined in Section 1274(d) of the Internal Revenue Code of 1986, as amended, and the rules, regulations, revenue procedures, revenue rulings, notices, and other pronouncements promulgated or issued thereunder.

The Maker of this Note shall make monthly payments, commencing on the first day of February, 2021, of interest and principle totaling $2,180 per month for 240 months, with the full amount of principal and accrued interest due hereunder no later than the 20th anniversary of the date of this Note.

The Maker of this Note shall have the right, without penalty, to prepay any and all amounts due under this Note and, unless otherwise agreed by the Maker of this Note and the holder of this Note, any such prepayment shall be credited first to interest then due, and the remainder to principal, and interest shall thereupon cease upon the principal so credited.

This Note and Maker’s obligations under this Note are secured by Deed of Trust pursuant to which Maker granted Holder a security interest in the real property described therein as collateral for the payment and performance of the obligations of Maker to Holder under this Note.

Upon the occurrence of any event of default under this Note, Holder, at its sole and exclusive option, may declare the entire sum of the unpaid principal and accrued interest due under this Note immediately due and payable, all without demand, presentment or notice.

The Maker of this Note hereby waives presentment, protest, demand, and notice of dishonor. No extension or renewal of this Note, and no delay in enforcement of this Note or in exercising any right or power under this Note shall affect the liability of the Maker under this Note. The Maker of this Note hereby waives the pleading of any statute of limitations as a defense to the payment or performance of this Note to the maximum extent permitted under California law.
The Maker of this Note agrees that this Note is negotiable and may be assigned in whole or in part by the holder of this Note. This Note may only be amended by a writing signed by the party affected thereby. This Note shall be binding upon, and inure to the benefit of Maker and its respective successors and assigns.

This Note shall be governed by, and construed in accordance with, the laws of the State of California. The Maker of this Note agrees that the unenforceability or invalidity of any provision or provisions of this Note shall not render any other provision or provisions herein contained unenforceable or invalid.

Notwithstanding any other provision of this Note to the contrary, the total liability of Maker for payments in the nature of interest, and/or other similar charges shall not exceed the limits imposed by any applicable Federal or State interest rate laws. If any payments in the nature of interest, and/or other charges made under this Note are held to be in excess of the applicable limits imposed by such laws, it is agreed that such excess shall be refunded to Maker so that the total liability for payments in the nature of interest, additional interest, and other charges shall not exceed the limits imposed by any applicable Federal or State interest rate laws.

IN WITNESS WHEREOF, the undersigned has executed this Note on the date set forth above.

“Maker”

Emilia Reyes, CEO
Fresno County Economic Opportunities Commission
FOR LEASE

925 North Abby
Fresno, California

3,000± Sq. Ft. - Rent $.99 per sf
The Parking Alone Is Worth 1/2 The Rent!

Great Parking - 28 Stalls On Site • Great Freeway Access
Interior Very Nicely Improved • 3 ADA Restrooms
Street Signage Available

For Further Information, Contact:
ROBERT E. ELLIS
680 West Shaw Avenue, Suite 202
Fresno, California 93704
(559) 228-8900 phone • (559) 228-8942 fax
relius@reli1.com • www.reli1.com
DRE License #00870649

This statement with the information it contains is given with the understanding that all negotiations relating to the purchase, renting or leasing of the property described above shall be conducted through this office. The above information, while not guaranteed, has been secured from sources we believe to be reliable.
For Further Information, Contact:

ROBERT E. ELLIS
680 West Shaw Avenue, Suite 202 • Fresno, California 93704
(559) 228-8900 phone • (559) 228-8942 fax
rellis@reli1.com • www.reli1.com • DRE License #00870649
REAL ESTATE PURCHASE CONTRACT
AND RECEIPT FOR DEPOSIT

THIS IS MORE THAN A RECEIPT FOR MONEY, IT MAY BE A LEGALLY BINDING CONTRACT. READ IT CAREFULLY.

Fresno, California September 15, 2020

Received from Fresno County Economic Opportunities Commission, herein called “Buyer,” the sum of Ten Thousand and No/100 Dollars ($10,000.00) (the “Deposit”). Evidenced by cash (X), personal check ( ), cashier’s check ( ) to be held uncashed until acceptance on account of purchase price of Four Hundred Seventy Thousand and No/100 Dollars, ($470,000.00) for the purchase of property, situated in Fresno, County of Fresno, California, owned by Specific Properties, LLC, Stephen D Long & Janet L. Zembsch herein called “Seller,” described as follows: 925 North Abby. Approximate 3,000± square foot improved office building on an approximate 16,500± square foot lot. APN: 452-141-23 (the "Property").

1. Buyer will deposit in escrow with Fidelity Title - Bernadette Watson the balance of purchase price as follows:
   A. In addition to the Deposit received from Buyer, described above, in the escrow, Buyer shall have until the close of escrow to deposit the balance of the purchase price into escrow. Sellers to credit Buyer, at close of escrow, with $20,000, to be used for any property improvements Buyer chooses.
   B. Following execution of this Agreement, as defined below, by both Buyer and Seller, Buyer shall have a ninety (90) -day Due Diligence period to, at Buyers expense, (i) inspect the condition of the Property, (ii) obtain a commercial appraisal of the Property in order to obtain commercial financing of the Property; and (iii) obtain approval by Buyer's Board of Directors. Buyer may terminate Real Estate Purchase Contract and Receipt for Deposit (this “Agreement”) for any reason during the Due Diligence period and any Deposit shall be returned to Buyer upon such termination.
   C. Buyer to cooperate with Seller in a 1031 Tax Deferred Exchange, at no cost to Buyer.

2. Title is to be free of liens, encumbrances, easements, restrictions, rights and conditions of record or known to Seller, other than the following: See Exhibit “A”. Seller shall furnish to Buyer at Seller’s expense a standard California Land Title Association (CLTA) policy, unless Buyer chooses to obtain American Land Title Association (ALTA) policy, below, issued by Fidelity Title, showing title vested in Buyer subject only to liens, encumbrances, easements, restrictions, rights and conditions of record as set forth in Preliminary Title Report. If Seller fails to deliver title as herein provided, Buyer at his option may terminate this Agreement and any Deposit shall thereupon be returned to Buyer. In the event that Buyer chooses to obtain an American Land Title Association (ALTA) policy, Buyer shall pay the difference in premium between the CLTA and the ALTA policies.

3. Any Property taxes or premiums on insurance acceptable to Buyer, as well as any rents, interest, or any other items of income, shall be prorated as of the date of recordation of deed. The amount of any bond or assessment which is a lien shall be paid by Seller, unless in taxes, (See Exhibit A). Seller shall pay cost of documentary stamps on deed.

4. Possession shall be delivered to Buyer on close of escrow.

5. Escrow instructions, including but not limited to the instructions contained in this Agreement, signed by Buyer and Seller, shall be delivered to the escrow holder within ten (10) days from the Seller's acceptance and signing of this Agreement and shall provide for closing up to thirty (30) days after the expiration of the Due Diligence Period, subject to written extensions signed by Buyer and Seller.

6. Unless otherwise designated in the escrow instructions of Buyer, title shall vest as follows:
   vesting to follow in escrow.

7. If the improvements on the Property are destroyed or materially damaged prior to close of escrow, then, on demand by Buyer, any Deposit made by Buyer shall be returned to Buyer and this Agreement thereupon shall terminate.

8. If Buyer fails to complete said purchase of the Property as herein provided after the expiration of the Due Diligence Period by reason of any default of Buyer, Seller shall be released from his obligation to sell the Property to Buyer and may proceed against Buyer upon any claim or remedy which he may have in law or equity; provided, however, that by placing their initials here BUYER ( ) SELLER ( ) Buyer and Seller agree that it would be impractical or extremely difficult to fix actual damages in case of Buyer's default, that the amount of the Deposit is a reasonable estimate of the damages, and that Seller shall retain the Deposit as Seller’s sole right to damages.

9. Buyer’s signature hereon constitutes an offer to Seller to purchase the real estate described above. Unless acceptance hereof is signed by Seller and the signed copy delivered to Buyer, either in person or by mail to the address shown below, within three (3) days, hereof, this offer shall be deemed revoked and the Deposit shall be returned to Buyer.

10. Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer on and as of the date hereof and as of the date of close as follows:

ROBERT ELLIS
LEASING & INVESTMENT, INC.
A. Seller, has full capacity, right, power and authority to execute, deliver, and perform this Agreement and all documents to be executed by Seller pursuant hereto, and all required action and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Seller are and shall be duly authorized to sign the same on Seller’s behalf and to bind Seller thereto. This Agreement and all documents to be executed pursuant hereto by Seller are and shall be binding upon Seller in accordance with their respective terms. The transaction contemplated hereby will not result in a breach of or constitute a default under any agreement to which Seller or the Property is bound.

B. Seller owns fee simple title to the Property free and clear of all liens, encumbrances, options and restrictions of every kind, except for any permitted Exceptions and any Exceptions shown on its current title insurance policies delivered to Buyer.

C. Unless otherwise disclosed to Buyer in writing prior to the close of Escrow, to Seller’s knowledge, there are no claims, causes of action or other litigation or proceedings pending with respect to the ownership or operation of the Property, or any part thereof which could materially affect the Property, or the consummation of the transactions contemplated by this Agreement.

D. Seller has not received any notice of any violations of any legal requirements with respect to the Property which have not been corrected, and to Seller’s knowledge there is no condition existing with respect to the Property which violates any law, ordinance, rule, regulation or requirement, including, without limitation, those pertaining to zoning, building, health, safety or environmental matters, of the municipal, county, state or federal government.

E. Neither Seller nor, to Seller’s knowledge, any of its affiliates, nor any of its respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives, or agents, is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (“OFAC”) of the Department of the Treasury (including those named on OFAC’s Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action.

F. Seller has not received, and has no other knowledge or information of, any notice from any insurance company or board of fire underwriters requesting the performance of any work or alteration with respect to the Property, or requiring an increase in the insurance rates applicable to the Property.

Seller shall not take or cause to be taken or suffer any action that would cause any of the foregoing representations or warranties to be untrue as of the close of Escrow. Seller shall immediately notify Buyer in writing of any event or condition that will cause a change in the facts relating to, or the truth of, any of the above representations or warranties. The representations, warranties and covenants contained in this section shall survive the closing.

11. Broker Disclosure of Agency. Robert Ellis Leasing and Investment is the agent of:
   (x) the Seller exclusively; or
   (i) the Buyer exclusively; or
   (j) both the Buyer and the Seller.

Robert Ellis is a licensed real estate broker and a member of Specific Properties, LLC.

11. Hazardous Waste. Seller represents that, to the best of its actual knowledge, there are no Hazardous Substances on the Property. Close of escrow is contingent upon the satisfaction or waiver by Buyer of a Hazardous Substance Conditions report. Buyer shall give written approval following the receipt of a Hazardous Substance Conditions report concerning the Property and relevant adjoining properties. Such approval or waiver must be given prior to the close of escrow. Such report will be obtained at Buyer’s direction and expense. An unacceptable Hazardous Substance Conditions report will provide Buyer with a basis for termination of this Agreement. A “Hazardous Substance” for purposes of this Agreement shall mean without limitation: (i) those substances included within the definitions of “hazardous substance,” “hazardous waste,” “hazardous material,” “toxic substance,” “solid waste,” or “pollutant or contaminant” in CERCLA, RCRA, TSCA, MAT, or under any other environmental law; (ii) those substances listed in the United States Department of Transportation (DOT) Table [49 CFR 172.101], or by the Environmental Protection Agency (EPA), or any successor agency, as hazardous substances [40 CFR Part 302]; (iii) other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under federal, state, or local laws or regulations; and (iv) any material, waste, or substance that is: (a) a petroleum or refined petroleum product, (b) asbestos, (c) polychlorinated biphenyl, (d) designated as a hazardous substance pursuant to 33 U.S.C.A. §3132 or listed pursuant to 33 U.S.C.A. §1317, (e) a flammable explosive, or (f) a radioactive material. During the Due Diligence Period, Seller shall permit Buyer reasonable access to the Property to conduct such tests that Buyer believes reasonably necessary to assess the Property.

12. Arbitration of Disputes. Any dispute or claim in law or equity arising out of this Agreement or any resulting transaction (including any disputes or claims against the Brokers in this transaction) shall be decided by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and not by court action except as provided by California Law for judicial review of arbitration awards. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. In the event any arbitration proceeding or legal action to enforce an arbitration award is commenced, each party agrees to pay its own expenses and attorneys’ fees incurred therein. Venue and jurisdiction for any such arbitration shall be Fresno, County of Fresno, California.

"NOTICE: BY INITIALIZING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTES 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 OF JURY TRIAL. BY INITIALIZING 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 ‘ARBITRATION OF DISPUTES’ PROVISION TO NEUTRAL ARBITRATION.


A. Assignment. Buyer may, without Seller’s consent, assign all right, title, obligation, and interest under this Agreement to a third party.

B. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. This Agreement may not be assigned by either party hereto without the written consent of the other party hereto; provided that Buyer may assign this Agreement without the consent of Seller to a limited partnership of which Buyer, an affiliate of Buyer, or an entity in which Buyer is a sole member, is a partner.

C. Entire Agreement. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof, supersedes all prior or other negotiations, representations, understandings and agreements of, by or among the parties, express or implied, oral or written, which are fully merged herein. Any agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment of this Agreement unless such agreement is in writing and signed by the party against whom enforcement of such change, modification, discharge or abandonment is sought.

D. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall be binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected on this Agreement as the signatories.

E. No Waiver. Neither the failure nor any delay on the part of either party to this Agreement to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power, or privilege with respect to any occurrence be construed as a waiver of any such right, remedy, power, or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

F. Time of the Essence. Time, wherever stated in this Agreement, is expressly of the essence of this Agreement.

Buyer’s Initials _____________________________ Seller’s Initials _____________________________

Broker’s Initials _____________________________ Broker’s Initials _____________________________

The undersigned Buyer offers and agrees to buy the above described Property on the terms and conditions above stated and acknowledges receipt of a copy hereof.

Buyer: Fresno Economic Opportunity Commission
Address: 1920 Mariposa Mall, Suite 300
          Fresno, California 93721
Telephone: (559) 263-1166

By _____________________________

Dated 11/02/2020

ACCEPTANCE

The undersigned Seller accepts and agrees to sell the Property on the above terms and conditions. The undersigned acknowledges receipt of a copy and authorizes Broker(s) to deliver a signed copy to Buyer.

Seller: Specific Properties, LLC; Stephen D. Long & Janet L. Zembsch

Address: 6556 Lone Tree Boulevard, Suite 200
          Rocklin, California 95765
Telephone: (916) 722-3500

By _____________________________

Dated _____________________________

John S. Foggy

A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE.
IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.
EXHIBIT "A"

1. Within ten (10)-days following the execution of this Agreement by BUYER and SELLER, SELLER shall open an escrow and SELLER shall furnish BUYER a Preliminary Title Report on the subject Property, together with full copies of all Exceptions set forth therein, including, but not limited to covenants, conditions, restrictions, reservations, easements, rights and rights of way of record, liens and other matters of record. BUYER shall have fifteen (15) days after receipt of said Preliminary Title Report together with full copies of said Exceptions, within which to notify the SELLER, in writing, of BUYER’s disapproval of any exceptions shown in said Title Report. Within ten (10) days of the execution of this Agreement, Seller shall also provide any records, reports, inspections, data, and documents that it has in its possession about the condition, including physical and state of title, of the Property. In the event of such disapproval, SELLER shall have fifteen (15) days within which to eliminate any disapproved Exception(s) from the Policy of Title Insurance. Failure of SELLER to eliminate any disapproved Exception(s) within the aforementioned time limit shall entitle BUYER to cancel this Agreement, in BUYER’s sole discretion, without penalty and with full refund of any and all Deposit(s) or other payment(s) made by BUYER to SELLER.

2. BUYER has been advised and acknowledges that by virtue of California Law, the real Property which is subject to this Agreement will be subject to reassessment for Property taxes upon the completion of the transfer, or, in the case of new construction, upon the completion of construction.

SELLER  
Please Initial  

BUYER  
Please Initial  

_________________  

_________________
DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(This form is required to be signed on all transactions beginning January 1, 2015 pursuant to California law SB1171)

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

SELLER’S AGENT

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

To the Seller:
- A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.
- To the Buyer and the Seller:
  (a) Diligent exercise of reasonable skill and care in performance of the agent’s duties.
  (b) A duty of honest and fair dealing and good faith.
  (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

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

BUYER’S AGENT

A selling agent can, with 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 duty of honest and fair dealing and good faith.
- A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

(a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.

(b) Other duties to the Seller and the Buyer as stated above in their respective sections.

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

Robert Ellis Leasing & Investment, Inc., DRE #00870649

Agent

Emilia Reyes

Buyer/Lessee Signature (Date) 11 / 02 / 2020

Buyer/Lessee Printed Name

Associate Licensee Signature (Date)

Emilia Reyes

Buyer/Lessee Printed Name

Associate Licensee Printed Name and BRE #

Seller/Lessor Signature (Date)

Emilia Reyes

Seller/Lessor Printed Name
As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained.

(b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform acts in behalf of a principal. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensees function.

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

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

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

(f) "Listing 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 listing 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 through a selling agent which becomes the contract for the sale of the real property upon acceptance by the seller.

(j) "Real property" means any property specified by subdivision (1) or (2) of Section 761 in property which constitutes or is improved with one to four dwelling units, any condominium in the type of property exceeding one year's duration, and mobile homes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.8 of the Business and Professions Code.

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

(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 2655, 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.

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

(o) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 6 (commencing with Section 2369) of Chapter 3 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

2079.14. Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgment of receipt from the seller or buyer, except as provided in this section or Section 2079.15, as follows:

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

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

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

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

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

2079.16. 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 selection is in writing and signed by the parties to the agency relationship.

2079.17. As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, 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 and acknowledged by the buyer, the seller, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively.

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

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

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

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

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

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

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

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

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

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

(This form is required to be signed on all transactions beginning January 1, 2015 pursuant to California law SB1171)

<table>
<thead>
<tr>
<th>Date:</th>
<th>September 15, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seller:</td>
<td>Specific Properties, LLC; Stephen D. Long &amp; Janet L. Zembsch</td>
</tr>
<tr>
<td>Buyer:</td>
<td>Fresno County Economic Opportunities Commission</td>
</tr>
<tr>
<td>Property Name:</td>
<td></td>
</tr>
<tr>
<td>Street Address, City, State:</td>
<td>925 North Abby, Fresno, California</td>
</tr>
</tbody>
</table>

Further described as:

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

(a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.

(b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered. The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

**Robert Ellis Leasing & Investment, Inc** is the Agent of (check one)

**Name of Listing Agent (Brokerage Firm)**

X the seller exclusively

**SELLER:**

By: ____________________________  
Print Name: ____________________________  
Title: ____________________________

**BUYER:**

By: ____________________________  
Print Name: ____________________________  
Title: ____________________________

*Please note that the terms “Seller” and “Buyer” are defined by the CA Civil Code to include a lessor and lessee, respectively. This form must be delivered before or concurrently with the signing of the purchase and sale contract or lease. In lieu of this form, such confirmation may also be set forth in the purchase and sale contract or lease.*