DESIGNATED LOCAL AUTHORITY

RIVERBANK CITY HALL SOUTH
CONFERENCE ROOM
6617 THIRD STREET
RIVERBANK CA 95367-2305

AGENDA

TUESDAY, JANUARY 14, 2014 – 10:00AM

CALL TO ORDER: CHAIR WENDELL NARAGHI

ROLL CALL: **Chair Wendell Naraghi**
Vice Chair Walter Schmidt
Treasurer Paul Baxter

CONFLICT OF INTEREST

Declaration by Board Members who would have a direct Conflict of Interest on any scheduled item to be considered should be stated at this time.

1. PUBLIC BUSINESS FROM THE FLOOR (No action can be taken.)

At this time, members of the public may comment on any item not appearing on the agenda, and within the subject matter jurisdiction of the Board.

2. ACTION ITEMS
(Items will be individually discussed prior to Board action.)

Item 2.1: Move Approval of December 10, 2013 Meeting Minutes to the February 11, 2014 Meeting.

Recommendation: Approval by Roll Call Vote.

Item 2.2: Evaluation of Real Estate Broker Proposals.

Recommendation: Evaluate Proposals and Recommend Selection for Approval to the Oversight Board.

Item 2.3: Financial Status of the Designated Local Authority.

Recommendation: Discussion Item Only.

Item 2.4: Stanislaus County Request to Apply for I-Payable Program for Remittance of Redevelopment Property Tax Trust Fund Revenue.

<u>**Recommendation:**</u> Consider Application for possible direction to the City of Riverbank to complete on the behalf of the DLA.

3. COMMENTS (Informational Only – No action to be taken)

Item 3.1: Consultant Comments.
Item 3.2: Board Comments.

ADJOURNMENT

AFFIDAVIT OF POSTING			
DATE:	January 10, 2014	**TIME:**	10:00 AM
NAME:	Marisela H. Garcia	**TITLE:**	Director of Finance

Notice Regarding Americans with Disabilities Act:
In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (209) 863-7122. Notification 48-hours before the meeting will enable the Board to make reasonable arrangements to ensure accessibility to this meeting [28 CFR 35.102.35.104 ADA Title II].

Notice Regarding Non-English Speakers:
Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the Designated Local Authority shall be in English and anyone wishing to address the Board is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

Any documents, not privileged or of a closed session, produced by DLA consultants and distributed to a majority of the DLA Board regarding any item on this agenda will be made available at South City Hall, 6617 Third Street, Riverbank, CA.

AGENDA ITEM 2.2

REPORT TO THE RIVERBANK DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF RIVERBANK

TO: DESIGNATED LOCAL AUTHORITY MEMBERS

FROM: CHRISTOPHER JICHA, STAFF TO SUCCESSOR AGENCY

DATE: DECEMBER 30, 2013

SUBJECT: EVALUATION OF REAL ESTATE BROKER PROPOSALS AND RECOMMENDATION TO CONTRACT WITH SELECTED BROKER FOR REAL PROPERTY ASSET DISPOSITION

PURPOSE OF STAFF REPORT

The purpose of this Staff Report is to review staff evaluation of the real estate broker proposals and consider staff recommendations to the Designated Local Authority for selection of a broker to dispose of the real property assets of the Designated Local Authority as Successor Agency to the Redevelopment Agency of the City of Riverbank subject to approval of the Long Range Property Management Plan ("LRPMP") by the Department of Finance ("DOF") and the approval of the contract by the Oversight Board to the Designated Local Authority.

BACKGROUND

The Riverbank Designated Local Authority, as Successor Agency to the Riverbank Redevelopment Agency ("DLA"), was established by statute to take actions to wind down the affairs of the former Riverbank Redevelopment Agency ("RDA") in accordance with the California Health and Safety Code.

Staff working closely with the City of Riverbank evaluated all available information of the real property assets held by the DLA and completed the LRPMP recommending that all assets be sold with the proceeds to be used to meet the approved, recognized obligations of the DLA, particularly the debt obligations of the former RDA. The DLA approved the LRPMP on October 8, 2013 then submitted the LRPMP to the Oversight Board for consideration. The Oversight Board approved the LRPMP on November 1, 2013. The LRPMP was then submitted to the Department of Finance ("DOF") for final approval before actions to dispose of the real property assets of the DLA can commence. The DLA is currently waiting for the DOF's final determination regarding the LRPMP.

In preparation for executing the LRPMP following approval by the DOF, the DLA directed staff to identify all potential brokers with strong local experience to represent the DLA in the disposition (sale) of the real property assets of the DLA. Staff identified all local, regional and national real estate brokers with specific local experience then prepared and distributed a Request for Qualifications ("RFQ") to all identified brokers. Proposals were received by December 5, 2013 and evaluated by staff.

DISCUSSION

Thirteen local, regional and national brokerages with strong local experience were identified and solicited. Three proposals were submitted by the RFQ deadline and evaluated by DLA staff, they included Central California Realty, NAI Benchmark and Lee & Associates. Staff believes that the low response rate was due to the RFQ requirements that were necessary to meet standard public agency solicitation requirements for contractor/consultant contracts. Staff has determined that the responses received meet the minimum requirements as set forth in the RFQ allowing the DLA to select a real estate broker for the disposition of the real property assets of the DLA.

The RFQ clearly defined the submittal requirements and the evaluation criteria to be used by staff to qualify and select a broker for the disposition of the DLA's real property assets. The matrix evaluating the proposals is attached to this Staff Report.

The top 2 responses from NAI Benchmark and Lee & Associates were very competitive, both brokers with very strong experience and understanding of the requirements of the assignment. Lee & Associates ranked slightly higher in their approach and technical expertise because of their detailed explanation for leveraging their state and national platform to market the properties. Although both firms had equal compensation structures (commission rate of 6%), Lee & Associates estimated the valuation and recommended a sales price of the combined assets 120% to 180% higher than NAI Benchmark.

RECOMMENDATION

Staff is recommending that the DLA and Oversight Board approve an award of contract to Lee & Associates to dispose of the real property assets of the DLA upon approval of the LRPMP by DOF and the approval of the contract by the Oversight Board.

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AGENDA ITEM 2.2

Brokerage	Agent	Address	City	St	Zip	Phone	cell	email
PMZ Commercial	Hank	1120 Scenic Drive	Modesto	CA	95350	209-527-5640		hharmon@pmz.com
Prudential Commercial	Mike Ash					209-968-1998		mash@prucommercialre.com
NAI Benchmark	Josh Bower					209-988-8428		josh@naibenchmark.com
Century 21 Commercial	Jan Brennan	1414-B201 E F Street	Oakdale	CA		209-847-6111		jbrennan@c21mm.com
Central California Realty	Sean Conway					209-605-4824		ccalrealty@aol.com
Sunset 8335	Scott Howard					310-650-1000	323-871-8585	
Cosol Commercial	Jake Maiorino					209-521-1591		jmaiorino@cosol.net
Brekke Real Estate	Randy Brekke					209-571-7230		randy@brekkere.com
Oakdale Realty	John Burgess	801 West F Street	Oakdale	CA	95361	209-847-5931		burgess@cboakdalerealty.com
Jensen Commercial Brokerage	Dave Jensen	5703 McHenry Avenue	Modesto	CA	95356	209-551-7500		dave@jensencb.com
Coldwell Banker Vinson Chase	Vinson Chase	220-A Standiford Avenue	Modesto	CA	95350	209-554-5099		vchase@modestorealestate.com
Velthoen Associates	(Part of PMZ now)	300 Banner Court, Ste 1	Modesto	CA	65356	209-575-3800		
Progressive Real Estate Group	Curtis Green	2418 Dobbins Lane, Ste A	Riverbank	CA	95367	209-505-8679		curt@progressiveagent4u.com
Lee & Associates	Patrick Zado	241 Frank West Cir, Suite 30C	Stockton	CA	95206	209-983-1111		pzado@lee-associates.com
	Robert Leveen							robert.leveen@lee-associates.com

Brokerage	Response	Understanding/Approach 20%	Compensation 10%	Technical Expertise 30%	Past Experience 40%	Evaluations rated on a scale of 1 to 5	
PMZ Commercial	No/More Time						
Prudential Commercial	Yes/Late						
NAI Benchmark	Yes	4 (focused on broker cooperation and extensive outreach through traditional resources)	3 (5% dual agency/6% seller rep)	4 (strong global network w/solid execution expertise)	5 (excellent commercial experience)	430	$275,000 total proposed sales price. ($200,000 theater & lot, $75,000 station)
Century 21 Commercial	No						
Central California Realty	Yes	2 (solid but basic real property marketing plan)	3 (6% standard commission)	2 (not fully addressed in response)	4 (solid commercial & mixed-use local experience. Excellent references)	290	No proposed valuation or sales prices
Sunset 8335	No						
Cosol Commercial	No/More Time						
Brekke Real Estate	No						
Oakdale Realty	No						
Jensen Commercial Brokerage	No						
Coldwell Banker Vinson Chase	No						
Progressive Real Estate Group	No						
Lee & Associates	Yes	4 (focused on broker cooperation w/extensive outreach through traditional resources & leveraging the firm to market nationally)	3 (6% standard commission)	5 (strong global network & platform for leveraging broker community w/solid execution expertise)	5 (excellent commercial experience)	460	$499,000 total proposed sales price. ($334,536 to $446,048 theater & lot, min of $53,952 station)

Riverbank Designated Local Authority,
as Successor Agency to the Riverbank Redevelopment Agency

Request for Qualifications
Real Estate Broker for the Sale Property in Riverbank, CA
November 2013

The Riverbank Designated Local Authority as Successor Agency to the Riverbank Redevelopment Agency is seeking the services of a licensed Real Estate Broker (Broker) for the sale of 3 properties located in the City of Riverbank, owned by the Riverbank Designated Local Authority.

The Broker should have knowledge and experience in the area in which the property is located. Proposals will be accepted by the Riverbank Designated Local Authority c/o Kosmont Companies, 865 S. Figueroa Street, Suite 3500, Los Angeles, California 90017 until:

5:00 p.m.
Friday, December 6, 2013
Late proposals will not be considered.

Questions concerning this Request for Proposals should be directed to Chris Jicha, Staff to DLA, at cjicha@kosmont.com or (951) 203-8730.

Riverbank Designated Local Authority c/o Kosmont Companies
865 S. Figueroa Street, Suite 3500 • Los Angeles, CA 90017

Riverbank Designated Local Authority
REQUEST FOR QUALIFICATIONS – REAL ESTATE BROKER SERVICES
November 2013

I. PURPOSE - The Riverbank Designated Local Authority as Successor Agency to the Riverbank Redevelopment Agency (DLA) is seeking the services of a licensed Real Estate Broker (Broker) to provide real estate brokerage and advisory services for the sale of 3 properties located in the City of Riverbank, owned by the DLA.

Generally, the selected Broker will be expected to perform the services in accordance with the Scope of Work and in accordance with the requirements of this solicitation.

The DLA intends to dispose of these properties as quickly as possible while maximizing the revenue under the current market conditions to the DLA to meet the debt obligations of the DLA. Further detail regarding the properties and disposition strategy is included in the attached *Long Range Property Management Plan*.

II. PROPERTIES - The properties are:

1. 3300 Atchison Street, APN 132-009-001: Approximately .64 acres and commercial building approximately 15,554 sf formerly used as a theater and restaurant with office space. Currently vacant. Property summary included in the attached *Long Range Property Management Plan*.
2. 3324 Atchison Street, APN 132-009-002: Approximately .47 acres parking lot formerly provided parking for the adjacent property at 3300 Atchison Street. Currently unused. Property summary included in the attached *Long Range Property Management Plan*.
3. 6800 Third Street, APN 132-009-023: Approximately .17 acres corner lot with former auto service station with apartment. Currently vacant. Property summary included in the attached *Long Range Property Management Plan*.

III. SALES GOALS - Goals for the sale of these properties include the following:

1. Maximize the revenue to the DLA from the sale of the properties.
2. Allow the buyer(s) to utilize the properties in compliance with existing City of Riverbank zoning and land use policies.
3. Sell the properties as quickly as possible, “as-is” without conditions or extended due diligence periods.

IV. QUALIFICATIONS - Please note that responses to this RFQ are sought only from experienced brokers who can demonstrate their ability to perform and who have personnel with a proven track record of success in providing real estate brokerage services in Riverbank and can market the property successfully. The response should demonstrate that the Broker meets the following qualifications to be eligible for consideration for this project:

1. The lead broker and other key real estate professionals assigned to the contract must be licensed real estate brokers in the state of California.
2. The lead broker assigned to the contract and responsible for the coordination and execution of the work should have a minimum of five (5) years of experience and a proven track record in providing vacant commercial real estate brokerage transactional services.
3. The lead broker must demonstrate the ability to market the properties to beyond traditional LoopNet/CoStar commercial property listing services.

V. SCOPE OF WORK - The Scope of Work shall include, but not limited to, the following:

1. Prepare a Comprehensive Marketing Plan and Comparative Market Analysis.
2. Serve exclusively as the DLA's agent for the properties.
3. Market the properties as proposed and process inquiries in a timely manner.
4. Qualify potential buyers before presenting them to the DLA.
5. Show the property as needed.
6. Lead potential buyers through the property purchasing process.

VI. PROPOSAL FORMAT AND CONTENTS

1. **Transmittal/Cover Letter - (1 page maximum)** Proposals must include a transmittal letter signed by an official authorized to solicit business and enter into contracts for the firm, and the name and telephone number of a contact person. The transmittal letter must also include the RFQ title, and the company firm information directly below.
2. **Company/Firm Information - (included in transmittal/cover letter)** Proposals must provide the name of the business entity (including any fictitious business names), details of the entity's business structure (i.e. corporation, partnership, LLC), organization chart for the business entity, statement(s) on financial integrity of all entities related to the company/firm, the location of offices located within the Riverbank region, and the names, BRE license numbers of any/all brokers and/or agents/salespersons that will be assigned to the project.
3. **Firm Qualifications and References – (3 page maximum)**: Describe the firm's qualifications specific to the requirements set forth in Section IV of this RFQ. Include a list (maximum of 7, minimum of 5) of transactions with a brief description of project (particularly vacant commercial property that the managing principal and/or team member(s) successfully provided real estate advisory services within the past five years. For each property, provide the following:
    - Property description
    - Location of the property
    - Whether the client was a government entity or private entity
    - Description of respondent's role
    - Completion date of service
    - The fee for the services provided
    - Business References: Provide a minimum of three business references from clients for projects of a similar size and scope
    - Litigation: Provide a list of any outstanding litigation in which the firm, managing principal, or a team real estate professional is a named party
4. **Professionals Qualifications/Experience - (2 page maximum)**: Provide current resumes, including the following for each professional to be assigned to the project:
    - Educational Background
    - Work Experience particularly in the Riverbank area
    - Professional Affiliations

    If the lead management role will be assumed by someone other than a respondent's principal, identify the individual on the firm's behalf who will be responsible for the day-to-day management of the overall project. Be advised that the DLA will require that the contract between the Broker and the DLA include a provision making any changes in staff persons identified in the contract subject to the approval of the DLA. Removal by the Broker of any staff persons identified in the contract without written consent of the DLA may be considered a material breach of contract.

5. **Proposed Marketing Plan/Schedule - (3 page maximum)** Present a Proposed Marketing Plan consistent with the goals described in this RFP. Additionally, the Proposed Marketing Plan should clearly convey the Broker's understanding of the scope of work and the general approach to be taken. The Proposed Marketing Plan should include the following:
   - A detailed description of the proposed management structure, including but not limited to: team organization, roles and responsibilities, program monitoring procedures, and communication mechanisms.
   - A discussion of what additional information, based on a review of the minimum real estate requirements, will be required to successfully market the property, if any.
   - A detailed plan of the proposed approach and available tools to market the property and the process for evaluating these options for review and approval by the DLA.
   - A proposed timeline and schedule for completing sale of the property along with a Comparative Market Analysis that helps to establish the potential value of the property.
   - A discussion of any experience representing government agency clients with a project of similar size and scope of work. Discussion should include any experience presenting recommendations to the public agency governing boards for review and approval.
   - A discussion of any other essential data that may assist in the evaluation of the proposal.
6. **Compensation Schedule - (1 page maximum)** The Broker must submit a Compensation Schedule, typically in the form of a commission, for sale transactions. The Compensation Schedule must also list any non-commission fees, including charges for any other services outlined in the Scope of Work. It must include any market research information and data sources that will be made available to the DLA along with any costs to be charged for access to the data. For all compensation, the Compensation Schedule must identify the circumstances under which the compensation would be due. The Broker's Compensation Schedule must include all charges that the DLA will be assessed. The submitted compensation schedule shall be guaranteed by the Broker for the maximum term of the contract, and any extensions thereof.
7. **Proposed agreements - (include in appendices)** that the DLA would be asked to sign as part of engaging the brokerage firm and its principals.
8. **Conflict of Interest - (include with compensation schedule)** Proposals must provide full disclosure of any known potential conflicts of interest as they relate to any potential transactions involving the DLA or the sale of the properties.
   - Broker must fully disclose any formal relationships with the DLA or its board members.
   - Broker must warrant that quoted fees are the only compensation (direct or indirect) that he/she or it will receive from this transaction.
   - All other disclosures which may be reasonably relevant to the concerns expressed above. Violation of any of the above can result in non-issuance of contract or revocation of contract.

VII. SUBMISSION OF PROPOSALS - Proposals shall not exceed 10 single-sided pages, additional information can be submitted as appendices. Submit one (1) copy of Proposal in electronic format via email to Chris Jicha, Staff to DLA, at cjicha@kosmont.com. The Proposal must be received before **5:00 p.m. on Friday, December 6, 2013**. Late Proposals will not be considered.

VIII. EVALUATION CRITERIA AND PRESENTATIONS (IF NECESSARY) - The DLA's prime objective in the selection process will be to evaluate each proposal on its merits and select the Broker the DLA believes will best meet the DLA's objectives. Proposals will be evaluated by DLA staff and recommendations presented to the DLA board members for selection.

Evaluation of the proposals will be based on, but not limited to, the following criteria:

1. Understanding and approach to performing the Scope of Work.
2. Compensation Schedule including commission rate and other applicable fees.
3. Technical expertise, size and structure of the firm and personnel assigned to the project.
4. Past experience of the firm and, in particular, experience of the team working on projects of similar scope and for similar clients (i.e., government agencies).

The anticipated procedure for the selection of the Broker will be as follows:

1. Interested Brokers will submit the RFQ materials required above.
2. Upon receiving RFQ submittals, the DAL staff will review the responses and determine if additional materials/information and/or an interview or meeting with respondent(s) are needed for clarification.
3. The DLA will review submittal responses that meet the selection standards established in this RFQ.
4. If, in the DLA's reasonable discretion, it determines that no submittal response meets the standards for selection, the DLA reserves the right to reject any and all proposals submitted, and take such actions as it deems appropriate to solicit additional responses, modify its concept for the sale of the Properties and/or wait for more favorable market conditions.
5. Depending on the number of responses received, the DLA may also decide, at its discretion, to select a very short list of brokers for interviews and/or request submittal of additional proposal material prior to selection of a Broker to enter into an Agreement.

IX. BROKER SELECTION TIMETABLE

1.	November 25, 2013	Issuance of RFP (Any questions regarding RFQ due via e-mail to Chris Jicha, Staff to DLA, at cjicha@kosmont.com Responses will be sent via email to all respondents within 24 hours.
2.	November 6, 2013 by 5:00pm	RFQ Proposals Due
3.	TBD Interviews (if requested by the DLA)	
4.	TBD DLA Contract Award	

Attachment A: Riverbank Long Range Property Management Plan

12/05/2103

RE: Proposal to the Riverbank Designated Local Authority

Items (1 and 2) From: Sean Conway/Broker DBA "Central California Realty" BRE # 01450340 A Sole Proprietorship company located at 840 East F Street Suite D Oakdale, Ca. 95361 Phone, Office 209-848-8002 Cell, 209-605-4824 Fax, 209-848-1237 Email, ccalrealty@aol.com

Central California Realty is located in Oakdale Ca. just 5.7 Miles or a 10 minute drive from the 3 three subject properties. The Owner/Broker Sean Conway will be the sole agent assigned to this project should the Listing contract be assigned to Central California Realty.

(3) Firm Qualifications: I Sean Conway am the broker here at CCR and have been working primarily in the Central California Valley Commercial markets for the last 9 plus years focusing on the listing, Selling, and leasing of all types of commercial properties. I have been working with several types of clients from investors, owner operators, contractors, and speculators. Here is a list of some of the Riverbank commercial properties I have been involved with in the past several years;

1) 6807 3rd Street Riverbank, An 8 unit apartment building I was the listing and selling agent on sold to a private builder/investor that closed escrow 10/19/12. Commission earned was $5,250.00

2) 6510 1st Street Riverbank, This was a mixed use commercial and residential property that I listed and sold as a short sale for $50,000 on 1/27/09 and then listed and resold it to an investor in March of 2009 for $70,000. And in January of 2012 I leased the commercial portion on the property to an appliance business. Total commissions earned on this property was $7900.00

3) 3109 Sante Fe Street Riverbank, This was another mixed use commercial/residential property that sold for $295,000 that closed in June of 2006 where I represented the buyer and seller earning a commission of $17,700 sold to an individual. I then leased as a church facility which occupies the property to date.

4) 3044 Atchinson Street, Riverbank A commercial building that I listed and sold to an owner operator for $435,000 that closed escrow in March of 2006. I then leased this property for the owner in 2007 . Then in 2010 I listed and sold this property again to another private party who occupies it to present. Total commissions earned on this property were $41,890.00

Business References: 1) Pat Patel, My client the seller of the 6807 3rd Street Property and current owner of the 3 properties adjacent to the subject properties. 209-551-9635

2) Chris Deiro, Seller of 3044 Atchinson Street. 209-605-2811 globalfire2811@att.net

3) Tracy Smith, Buyer of 6807 3rd Street 209-202-8005 tracy@consolidatedreliance.com

4) Melvin Ferrarese, Client I represented in the purchase of Oakdale, Ca. properties 209-604-0498

Litigation: I am not currently involved in any type of litigation and have not had any such issues in my 9 plus year career in the Real Estate industry.

(4) Education Backround: I am a high school graduate, Registered Honda Motorcycle Service Technician with 30 years of experience and training, Business owner since 1985, and I have had 9 years of experience in the Real Estate field with constant education and have obtained my Real Estate Broker License to date. I have had vast experience working within the City of Riverbank over the years dealing with Clients of all kinds along with these Riverbank City departments; Mayors, City Council, City managers, Housing and Economic Development Director, Community Development Director, Community Development Department members, LRA Executive Director, and RDA Director, Building inspectors, and community service groups.

I have also done many commercial leases and residential sales within the City of Riverbank. I have worked on many different levels with the City and the truth be told there were several projects I worked on with the City that never came to be due to no fault of my own but I have learned how to navigate the tricky political landscape and close a fair number of deals. I would be handling all the aspects of any transactions related to any proposed listings in order to insure the end goal of a successful sale with no loose ends or litigation.

(5) Proposed Marketing Plan: My marketing plan would be as follows; After a careful personal inspection of all three properties and title report information I will conduct a thorough market analysis to determine highest and best uses and current market values of the properties taking into effect all the factors of any issues affecting the properties. Once that is determined I would aggressively market the properties by putting together marketing packages, listing properties on the local MetroList web site, LoopNet, Craigslist, and taking advantage of the large network of local agents from the Central Valley Leasing meetings and my list of buyers/investors. I pride myself on being available 7 days a week and actually answering my phone to provide personal service to any perspective clients and I can be on site within 10 minutes at almost any time. I would provide professional signage at all sites to capture the drive by business. I also have relationships with many local property owners that I could possibly group contiguous properties together and market them as a package deal. As for a timeline and schedule for completing the sale of the properties I could guarantee that I could start my marketing campaign within days of receiving the listing and all needed property details but as we all know there is no way I can estimate a completed timeline of any sale.

(6) Compensation: The Selling commissions to the Listing Broker are to be 6% of the final sales price due upon the close of escrow of any sale during the listing periods or any authorized extensions of that period. Listing Broker will incur all advertising and marketing expenses, No compensation will be due to listing Broker until the close of any successful sale.

(7) Proposed Agreements: Upon acceptance of any terms between the listing broker and the DLA a normal CAR Commercial Property Listing agreement or any suitable substitute legal listing agreement could be used.

(8) Conflict of Interest: There are no known conflict of interest issues between Sean Conway broker of Central California Realty and the DLA. I have no formal relationships with the DLA or its board members.

In conclusion I feel that I am ready willing and able to perform all the duties set forth in this proposal and I am confident that if given this opportunity I will meet and exceed your expectations! If you have any questions please call at 209-605-4824

Thank you, Sean Conway

Owner/Broker of Central California Realty
840 East F Street Oakdale, Ca. 95361

Sean T. Conway 12/5/13

Lee & Associates®
COMMERCIAL REAL ESTATE SERVICES

January 3, 2014

Riverbank Designated Local Authority
C/o Kosmont Companies
865 S. Figueroa Street, Suite 3500
Los Angeles, CA 90017

RE: Request for Qualifications – Riverbank

Dear Chris:

In the following pages you will find information regarding Lee & Associates – Central Valley, Inc. and why we are best qualified to market the Riverbank properties for sale. You will also find the qualifications for me and my partner Chris Sill along with properties we have sold in the surrounding areas and a Marketing Plan.

Should you have any questions or wish to discuss further, please feel free to call us any time.

Sincerely,

Patrick Zado
Retail Associate
Lee & Associates – Central Valley, Inc.

Christopher Sill
Senior Vice President
Lee & Associates – Central Valley, Inc.

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Lee & Associates-Central Valley, Inc. A Member of the Lee & Associates Group of Companies
241 Frank West Circle, #300, Stockton, CA 95206 / Office: 209-983-1111 / Fax: 209-982-0167

Company Firm/Information

Lee & Associates Central Valley, Inc. exists for the sole purpose of providing an entrepreneurial format for skilled real estate practitioners to advise clients and customers on how to best achieve maximum results from their real estate ventures. Headquartered in Stockton, CA, L&A - CVI provides comprehensive and quality representation to clients locally, and nationally in a proactive and responsive manner integrating the highest level of information, support, professionalism, and integrity.

The Lee Group of Companies encourages real estate professionals of the highest caliber to join us as shareholders, not just employees. Our core philosophy of shareholder ownership insures our vested interest in your complete satisfaction. Lee & Associates Central Valley – you will notice the difference.

Legal Name – Lee & Associates Commercial Real Estate Services, Inc. Central Valley

Dba – Lee & Associates – Central Valley, Inc.

C-Corporation – C1829553

BRE Corporate License # - 01166901

President – Thomas Davis, SIOR Lic. # 0880761

Senior Vice President – Christopher Sill, Lic. # 01188616

Associate – Patrick Zado, Lic. # 01707199

Legal Name - Lee & Associates Investment Services Group, Inc.

C-Corporation - C3151533

BRE Corporate License # - 01859073

President – Joseph Chavez, Lic # 01280064

Senior Vice President – Robert Leveen, Lic # 01476685

Firm Qualifications/References

The Lee & Associates – Central Valley, Inc. retail team is comprised of Christopher Sill and Patrick Zado. With an extensive listing and client base, Lee & Associates – Central Valley, Inc. remains the dominant retail brokerage firm, actively involved in the sales, leasing and disposition of commercial retail properties throughout San Joaquin and Stanislaus Counties.

Christopher Sill has been active in the Central Valley and East Bay for the last 18 years. As Senior Vice President and shareholder of Lee & Associates – CVI, Christopher is focused on retail sales and leasing from Elk Grove to Fresno, with a focus on San Joaquin and Stanislaus Counties. Christopher is also on the Lee & Associates – CVI Distressed Properties Group which focuses on the valuation and disposition of distressed properties for banks, lenders, and property owners throughout Northern California. He has been instrumental in the timely disposition of properties for banks and individuals similar to the Riverbank properties. Transactions on following page.

Patrick Zado has been with Lee & Associates – Central Valley, Inc. for six years. After graduating from the University of Southern California, Patrick had a successful career in mortgage lending for a large national bank. After mortgage lending, Patrick joined Lee & Associates – CVI in November 2007. He has been active in the sales and leasing of retail properties throughout Stanislaus and San Joaquin Counties with an intense focus on Stanislaus Counties, as he resides in Turlock, CA and is knowledgeable in the surrounding area.

Lee & Associates Investment Services Group, Inc. www.lee-isg.com is located in Los Angeles, California and successfully operates in concert with the local Lee & Associates offices statewide. The ISG team specializes in the sale and disposition of all commercial product types. Many of our Senior Agents have been in the commercial brokerage business for more than 25 years. As a result, we have built an extensive, national database of investors and developers from our decades working in the brokerage trenches. As part of the listing team, ISG provides its years of industry relationships, to attain an unsurpassed level of exposure for the property, and bring more buyers to the table.

Resumes to be attached as appendices.

Firm Qualifications/References (cont.)

Property Description	**Location of Property**	**Government or Private Entity**	**Description of Respondent's Role**	**Completion Date**	**Fee to LA-CVI for Services Provided**
Freestanding highway commercial building in Turlock	3000 N. Tegner Rd., Turlock, CA	Bank of America	Listing Agent	8/7/12	2% of sales price
Freestanding building along McHenry Ave	1029 McHenry Ave., Modesto, CA	Private Entity	Listing Agent	11/18/11	3% of sales price
Leased strip center in Atwater	995 Bellevue Rd., Atwater, CA	East West bank	Listing Agent	10/30/13	2.5% of sales price
Two building property at 99 and 120	2101-2151 Moffat Blvd., Manteca, CA	Bank of Stockton	Procuring Agent (office represented seller)	8/1/13	6% of sales price
Freestanding former Hollywood Video	504 W. Lodi Ave., Lodi, CA	Private Entity	Listing and Procuring Agent	10/3/12	6% of sales price

Freestanding former Hollywood Video	7735 Lower Sacramento Rd., Stockton, CA	Private Entity	Listing Agent	8/10/11	3% of sales price

Firm Qualifications/References (cont.)

1. Christopher Wong, East West Bank 415-315-2806
2. Colin Bagwell, Bank of America REO 714-327-4556
3. Steve Bowie, Pacific Development Group 949-760-8591
4. Luis Rocha, Wells Fargo Bank 415-894-3230
5. Michael Chastain, Auto Zone 901-495-6872

Proposed Marketing Plan/Schedule

Executive Summary

Lee & Associates – Central Valley, Inc., in its capacity as exclusive marketing agent for the property, will provide all necessary counsel, expertise, and resources to market the property with the singular objective of producing the most favorable economic sale terms within the shortest possible time frame, thus maximizing the financial objectives of the Designated Local Authority.

The advantage to an organization like Lee & Associates – CVI is that both members of the retail department, Christopher Sill and Patrick Zado, work closely with each other on the majority of listings represented by the firm and are in constant communication in regards to best practices. Both Chris and Patrick are active in the marketing, reporting, communication, and overall landlord interaction. We pride ourselves on prompt responses to both landlords and tenants and usually respond to voicemails within 2 hours and emails within the hour. The way we communicate with landlords depends on their individual needs. We are open to monthly phone calls, monthly progress reports, or simply a call whenever the landlord wants an update. It depends entirely on their preferences but we are flexible in terms of communicating with landlords.

Based on the current information that has been provided, I don't believe that we need anything further at this time. Should we be awarded the assignment, we may request further information and amend our opinion after we have physically inspected the properties.

Our marketing approach consists of three separate tactics: Direct Marketing, Internet Marketing, and Broker Cooperation. Some of the marketing tools that we utilize include: Internet Listings, Email Adobe Acrobat PDF Flyer, News Releases, and building signage.

Regarding Direct Marketing of a property, we would identify a list of potential owner/users for the property and contact them directly. We pride ourselves on knowing the primary contact for any active tenant, user, developer, or landlord that is active in this market. Additionally, the property is distributed to all 51 Lee & Associates offices nationwide. Although it is unlikely the future owner of these properties comes from outside California, it is a benefit to be able to give them nationwide exposure. We also will make it known to all local and regional brokers in the area as we have a very good relationship with the entire brokerage community and are eager to cooperate with them.

In terms of Internet Marketing, we send out a broker email blast to approximately 900 commercial brokers throughout California to advise of the availability of the property and to keep it in the front of their minds. We also utilize the standard Internet websites that are critical to a building's online presence. Those include our proprietary website, www.lee-associates.com, Loopnet.com, Costar.com, and buildingsearch.com. While we don't rely on these websites for activity, they do supplement the marketing of a property.

Proposed Marketing Plan/Schedule (cont.)

We believe, based on our experience with similar properties in other markets, that this property will require 9-12 months of marketing until we can identify an owner/user who will acquire all three properties. We believe the best way to dispose of these properties is to package all three of them to one individual owner/investor. Selling these properties individually will be difficult as there are obvious issues with the Del Rio Theater building (asbestos, demo costs).
Based on supporting comps, and based on our assumption that the target owner for this is a single user, we would be comfortable valuing the property between $334,536 and $446,048 (55,756 square feet of land at $6-$8 per square foot). Our valuation range includes the estimated cost of demolition which was included in the Long Range Property Management plan. We would therefore offer the three properties at $499,000 and expect any interested party to negotiate the price.

Compensation Schedule

A. SALES, EXCHANGES, AND OTHER TRANSFERS

1. Unimproved Property (substantially lacking amenities necessary for urban development, such as roads, utilities or zoning): 10% of the gross sales price.

2. Improved Property: 6% of the gross sales price.

3. Exchange: Each party to the exchange shall pay a full sales commission based on the type of property in accordance with this Schedule.

4. Joint Venture: If a joint venture is effected in lieu of a sale, a full sales commission shall be paid on the basis of the value of the property as determined for purposes of the joint venture agreement and the percentage interest thereof which is being conveyed to the joint venture or the joint ventures.

B. PAYMENT OF EARNED COMMISSIONS

1. Commissions shall be paid through escrow upon the closing of sales and exchange transactions; absent an escrow; commissions shall be paid upon recordation of a deed or upon delivery of such deed or other conveyance if recordation is deferred more than one month thereafter. In the event of a contract or agreement of sales, joint venture agreement, business opportunity or other transaction not involving the delivery of a deed, commissions shall be paid upon execution and delivery of the instrument of conveyance or establishment of the entitlement of ownership.

2. Broker is hereby authorized to deduct its commission pursuant to this Schedule from funds held in its trust account; Owner shall promptly pay any difference in cash in accordance herewith.

C. MISCELLANEOUS

1. If Owner fails to make any payment at the time required herein, the delinquent sum(s) shall bear interest at the maximum rate permitted by law.

2. This Schedule and the Agreement to which it is attached are binding on Broker only when executed by both parties without modification of the printed terms; provided that any such unauthorized modifications will be enforceable by Broker at its option, provided further that any office of Broker is authorized to modify such terms by executing such Agreement or by initialing such modifications.

3. This Schedule shall be used only for transactions in which **Lee & Associates Commercial Real Estate Services** is involved and shall not be distributed to any other party.

The undersigned hereby acknowledges receipt of a copy of this schedule and agrees to pay a commission(s) as provided herein.

Dated: _______________________________________, 2013 Dated: ___________________________________, 2013

Lee & Associates-Central Valley, Inc. A Member of the Lee & Associates Group of Companies
241 Frank West Circle, #300, Stockton, CA 95206 / Office: 209-983-1111 / Fax: 209-982-0167

AGENDA ITEM 2.2

Owner, Lessor or Sublessor:	**Broker:** Lee & Associates® **- Central Valley, Inc.**
By: ______________________________	By: ______________________________
Address:	Address: 241 Frank West Circle, Suite 300 Stockton, California 95206
Telephone: ______________________________	Telephone: (209) 983- 1111 Fax: (209) 982-0167

INTRODUCING LEE & ASSOCIATES

COMPETITIVE CONSIDERATION

Differentiator	Lee & Associates
Years in business	Founded in 1979; celebrating over 34 years of leadership excellence in commercial real estate
Key focus	Office, Industrial, Retail, Investment, Land
Structure	Broker-owners, associates and full service backline for research, marketing and support services
Offices	49 locations across the nation including Arizona, California, Florida, Georgia, Idaho, Indiana, Illinois, Kansas, Maryland, Michigan, Missouri, Nevada, New Jersey, New York, Texas and Wisconsin. With a roster of nearly 750 expert brokers, Lee & Associates provides a wide range of specialized commercial real estate services.

ABOUT LEE & ASSOCIATES

Celebrating more than 34 years of leadership excellence in commercial real estate, Lee & Associates is the largest broker-owned firm in the nation, with 49 locations across the nation including Arizona, California, Florida, Georgia, Idaho, Indiana, Illinois, Kansas, Maryland, Michigan, Missouri, Nevada, New Jersey, New York, Texas and Wisconsin. With a roster of nearly 750 expert brokers, Lee & Associates provides a wide range of specialized commercial real estate services. Additional information is available at www.lee-associates.com.

Each Lee & Associates group office represents a broad array of regional, national and international clients – from individual investors and small businesses, to large corporations and institutions. Last year, the Lee & Associates group successfully completed transactions with a value of over $8 billion.

Lee & Associates clients enjoy a comprehensive range of specialized commercial real estate services including:

- Industrial, Office and Retail Property Sales and Leasing
- Real Estate Investment Consulting
- Real Estate Financing
- Property Acquisition and Disposition
- Tenant Representation and Relocation
- Property and Portfolio Evaluation
- Market Research

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ORIGIN & PHILOSOPHY

In 1979, founder Bill Lee established the first Lee & Associates office, driven by the unique idea to turn real estate brokers into company owners or “shareholders”. Bill Lee’s guiding philosophy was that clients’ interests would be best served by a collective team effort from experienced sales agents who had an ownership stake in the privately-held organization, earned through exception performance and ethical practice.

Not merely employees, profit-sharing Lee owner/agents would strive to create a sense of shared responsibility and cooperation throughout the organization, and would encourage an orientation toward long-term client relationships and business solutions.

Since then, Bill Lee’s profit sharing concept has proven enormously successful, and has fueled the explosive growth of many group offices throughout the West and Midwest.

THE LEE ADVANTAGE

⁂ **Fast Client Results.** As company owners, Lee principals have a vested interest in the swift, successful completion of client assignments and transactions. Our associate brokers continually strive to earn ownership standing, encouraging a coordinated team effort and fast and effective results for clients.

⁂ **Streamlined Personal Service.** Each Lee group office is owned and operated by the brokers in that office. Clients deal directly with decision makers, not with an unwieldy corporate bureaucracy like with many of our competitors.

⁂ **Experience Counts.** The average number of years experience of Lee’s principal commercial brokers is 15 to 20 years. Our unique profit-sharing structure attracts the best people as owner-brokers – those with exceptional skills, confidence and ethical practice.

⁂ **Long-Term Relationship.** Lee & Associates boasts the lowest turnover rate in the industry. Our ownership structure encourages longevity, allowing for long term relationships with clients.

⁂ **In-Depth Market Knowledge.** Each Lee group office is committed to providing the best data and analysis for the market it serves. No other commercial real estate company has made specialized market knowledge and research as central to its business practice.

⁂ **Business Stability.** Since inception, each Lee & Associates group office has been profitable, privately-held and managed by its individual shareholders. Newly formed offices are stable, debt-free operations, with all startup capital funded by shareholders of all offices through Lee’s venture capital group.

⁂ **Strong National Affiliations.** Lee & Associates maintains affiliations with recognized brokers in all major US real estate markets. Lee’s national organization affiliations include: SIOR, NACOR, IFMA, CRE, ICSC and IDRC.

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Specializing in

RETAIL / OFFICE PROPERTY SALES, LEASING & DEVELOPMENT

brokerage

Christopher W. Sill
Senior Vice President
License ID #01214270
Office: 209.983.1111
Direct Line: 209.6837
Fax: 209.982.0167
csill@lee-associates.com

241 Frank West Cr, #300
Stockton, California 95206

PARTIAL CLIENT LIST

» Auto Zone
» Bank of America
» Baskin Robbins
» Cal Fox Properties
» CSAA
» Geweke Real Estate
» Great Clips, Inc.
» Hensley Properties
» ICI Development Co.
» Matteson Companies
» McNellis Partners
» New York Life
» Pacific Development Group
» Qdoba Mexican Grill
» Red Mountain Retail Group
» Regency Centers
» Savemart Stores
» SLP Commercial
» US Bank
» Wells Fargo Bank
» West Valley Properties
» Westtrust

PROFILE

Mr. Sill specializes in the sale, leasing and development of retail and office properties in the San Joaquin Valley of Northern California. His expertise extents to Landlord/Tenant advisory services, retail void analysis, strategic repositioning and implementing successful marketing strategies to stabilize all types of retail property including anchor, shop and pad locations. In addition, as an active member of the Lee Distressed property Services Group, offering troubled asset advisory services with a focus on retail properties. He has had significant involvement in the analysis and disposition of distressed/troubled assets, commercial REO/foreclosures, broker's opinion of value and corporate excess property throughout his career. He has been with Lee & Associates- Central Valley, Inc. since 1994 and a Principal with the firm since 1999.

CAREER SUMMARY

Lease Transactions: 1.6 million square feet of completed lease transactions with over $165 million in consideration

Sale Transactions: 1.2 million square feet of sales transactions completed with over $69 million in consideration

Land Sales: 45± acres of land sold with over $165 million in consideration

AFFILIATIONS:

- Member International Council of Shopping Center (ICSC) since 1994
- State of California Real Estate License – since 1994

EDUCATION

- B.S. – University of Redlands, Redlands, California - 1994

LEE & ASSOCIATES®
COMMERCIAL REAL ESTATE SERVICES

Joseph Chavez

Senior Vice President

Lee & Associates-Investment Services Group

Corporate ID# 01859073   License ID# 01280064

A Member of the Lee & Associates Group of Companies

3535 Inland Empire Boulevard, Ontario, CA 91764

Phone: (909)941-2539 ext 325 Fax (909)941-2538

joe.chavez@lee-associates.com

Specialty / Expertise

Joseph Chavez is a Senior Vice President of Lee & Associates-Investment Services Group, a member of the Lee & Associates Group of Companies providing commercial real estate brokerage and advisory services to public and private investors, investment trusts, high net worth individuals and banks. Mr. Chavez specializes in the acquisition and disposition of multi-family properties throughout the Inland Empire and Eastern San Gabriel Valley. His commitment to value-added service and expert transactional guidance has given his clients the edge in an ever-changing marketplace. His strategic approach and counsel has resulted in the successful execution of transactions valued in excess of $450 million over the past 10 years.

Over the past three years, Mr. Chavez has successfully directed private investors in the acquisition and disposition of distressed properties and helped owners to reposition and divest these properties as an alternative to foreclosure. His results-oriented approach has also assisted many clients to successfully fulfill 1031 Exchange requirements by locating quality properties in the Inland Empire and across Southern California, and he has earned a large network of clients who value his knowledge of the local market.

Career History / Professional Recognition

Mr. Chavez previously served with Marcus & Millichap for 11 years, most recently as Vice President of Investments and Director of the National Multi Housing Group. His track record there earned him National Achievement Award status. Committed to professional development and excellence, Mr. Chavez regularly invests his time and energy to meetings and servicing new clients.

Associations / Education

- University of California, Los Angeles, B.S. Chemistry
- Member of Apartment Owners Association
- Contributor to the Political Action Committee for Multi Family Housing

Recent Notable Transactions (partial list):

Mr. Chavez's expertise extends from transactions valued at hundreds of thousands of dollars to complex sales and dispositions in excess of $10 million. He has successfully closed transactions across Southern California including the communities of Pasadena, Alhambra, San Gabriel, West Covina, Covina, El Monte, Whittier, Pomona, Azusa, Upland, Ontario, Chino, Fontana, Rialto, Colton, Riverside, San Bernardino, Highland, Moreno Valley, and Yucaipa.

Lee & Associates®
COMMERCIAL REAL ESTATE SERVICES

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Robert Leveen

Senior Vice President

Lee & Associates-Investment Services Group

Corporate ID# 01859073   License ID# 01476685

A Member of the Lee & Associates Group of Companies

15250 Ventura Boulevard, Suite 100, Sherman Oaks, CA 91403

Phone: (310)444-3035   Fax (818)933-0418

robert.leveen@lee-associates.com

Specialty / Expertise

Robert Leveen is a Senior Vice President of Lee & Associates Investment Services Group, a member of the Lee & Associates Group of Companies providing commercial real estate brokerage and advisory services to public and private investors, investment trusts and high net worth individuals. Mr. Leveen specializes in the acquisition and disposition of multi-family properties throughout Southern California. His commitment to serving his clients' needs and his strategic approach and counsel has resulted in the successful execution of transactions valued in excess of $75 million in the past six years.

Among his most recent transactions, Mr. Leveen closed a 260-unit, defaulted tax credit property in Cincinnati, Ohio, the largest of $12 million in sales he has successfully executed over the past year.

While he mainly focuses on representing private investors, Mr. Leveen has also represented a number of lenders including Wells Fargo Bank, East West Bank, Aurora Bank and Cathay Bank in disposing of REO and defaulted assets in many product categories including multi-family and office properties and development land.

Career History / Professional Recognition

Prior to joining Lee & Associates, Mr. Leveen served with Marcus & Millichap where he specialized in multi-family sales. His earlier background also includes 18 years in the entertainment industry as a production executive, line producer and production manager.

Associations / Education

- Member, ProVisors
- Member, Apartment Association of Greater Los Angeles
- Member, Directors Guild of America
- Fundraiser, Food Pantry/LAX, Jewish Federation

Completed Transactions

• Sale -Silver Oaks Estates, Cincinnati, OH
260-unit multi-family property
$1,965,000; Closed: 2010

• Sale -Sunset Mesa, Mesa, AZ
40-unit multi-family property
$1,450,000; Closed: 2009

• Sale -6,492 SF retail property, Arcadia, CA
$1,900,000; Closed: 2008

• Sale -Nicolet Riviera, Los Angeles
30-unit multi-family property
$1,950,000; Closed: 2009

• Sale - 540-600 West Hyde Park Blvd, Inglewood, CA
34-unit multi-family property
$4,000,000; Closed: 2008

• Sale -Palmwood Drive Apartments, Los Angeles, CA
REO - 29 units, multi-family property
$1,725,000, Closed: 2011

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Specializing in

RETAIL SALES/LEASING & LANDLORD REPRESENTATION

brokerage

Patrick Zado
Associate
License ID #01707199
Office: 209.983.1111
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Fax 209.982.0167
pzado@lee-associates.com

241 Frank West Cr, #300
Stockton, California 95206

PARTIAL CLIENT LIST

» Big Savings Insurance

» Central Valley Associates

» Geweke Real Estate

» Jackson Hewitt Tax Services

» Liberty Tax Service

» Matteson Companies

» McCorduck Properties

» Mr. Pickles

» Professional Maintenance Co

» Stockton Weber Ranch LLC

» Subway

» Sutter Gould Medical Foundation

PROFILE

Mr. Zado, Associates with Lee & Associates-Central Valley, Inc. specializes in the sale and leasing of retail/commercial projects throughout San Joaquin and Stanislaus Counties. He has completed numerous transactions throughout the San Joaquin Valley and has a firm understanding of commercial real estate.

Prior to joining Lee & Associates-Central Valley, Inc., Patrick worked for IndyMac Bank for four years as a Business Development Manager. He consistently funded upwards of $10 MM per month and was responsible for new employee training. Patrick showed year-over year growth in his position since 2003 and achieved numerous sales benchmarks.

Patrick's areas of expertise include:

(1) Landlord representation
(2) Complete market knowledge and comprehensive reporting for tenants entering the market.
(3) Comprehensive database management encompassing all shopping center in the San Joaquin Valley

AFFILIATIONS:

- Member International Council of Shopping Centers (ICSC)
- Licensed California Real Estate Broker

EDUCATION

- B.S. – Business Administration, University of Southern California, Los Angeles

LEE & ASSOCIATES®
COMMERCIAL REAL ESTATE SERVICES

REQUEST FOR QUALIFICATIONS
Riverbank Designated Local Authority c/o Kosmont Companies
865 S. Figueroa Street, Suite 3500
Los Angeles, California 90017

December 5, 2013

Dear DLA Selection Team:

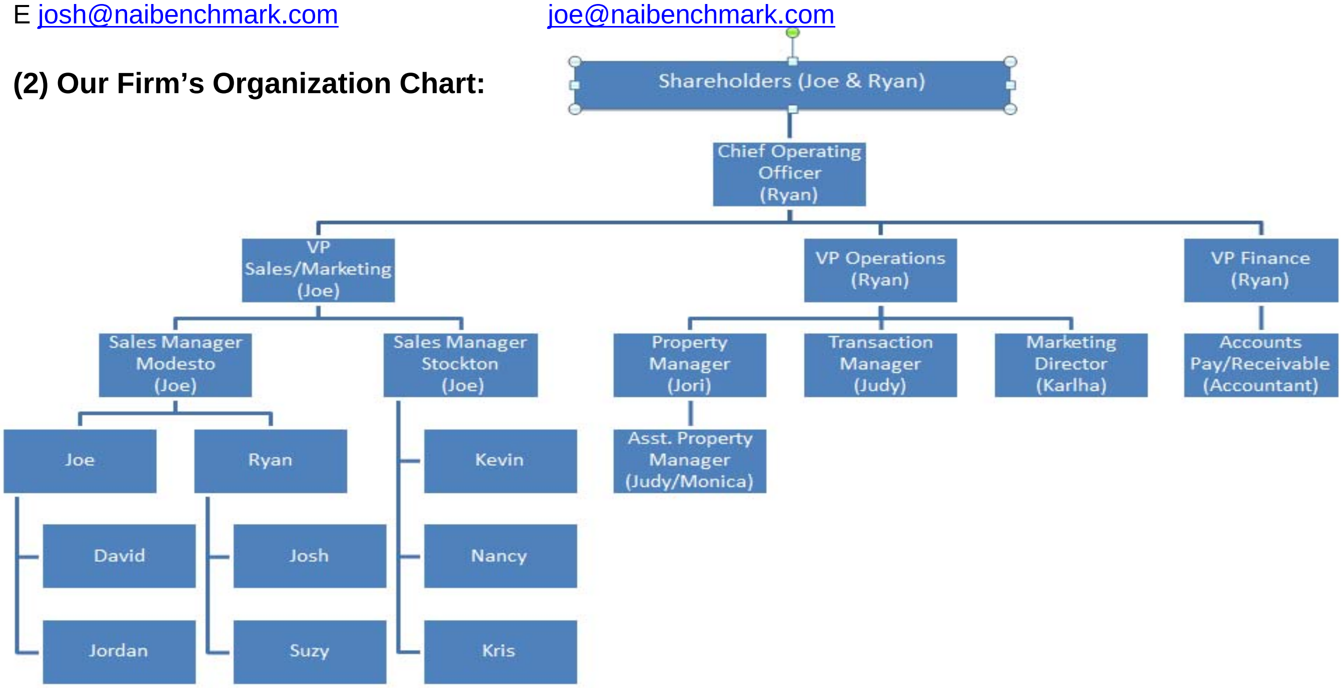
It is our pleasure to submit this response to the Riverbank Designated Local Authority's Request for Qualifications. With more than twenty five years of cumulative experience in the Central Valley real estate market, our team is composed of local market experts. Experience and professionalism are both hallmarks of Sentinel Rock Realty Trust DBA NAI Benchmark (S Corp). We hope to be selected to provide real estate brokerage and advisory services for the sale of the 3 properties located in the City of Riverbank, owned by the DLA.

(1) Our Firm's Contact:

Josh Bower, Associate
BRE#01905264
NAI Benchmark
1031 15th Street
Modesto, CA 95354
T 209 576 2240
C 209 988 8428
F 209 554 0470
E josh@naibenchmark.com

Joe Muratore, Principal
BRE#01763752
NAI Benchmark
1031 15th Street
Modesto, CA 95354
T 209 576 2240
C 209 534 9455
F 209 554 0470
joe@naibenchmark.com

(2) Our Firm's Organization Chart:



Please don't hesitate to contact us if you have any questions. We look forward to hearing from you.

Sincerely,

Joe Muratore, CCIM

NAI Benchmark Overview

NAI Benchmark is one of the leading independent commercial brokerage and property management firms in the Central Valley. We currently manage a diverse portfolio of commercial property and have brokered over $53,000,000 in transactions since our founding in 2009, during the worst decline in the commercial real estate market in decades. We are proud to have worked on some of the largest transactions in the Central Valley.

Recently affiliated with NAI Global, the fourth largest commercial real estate services firm worldwide, we can now leverage a vast network of over 5,000 professionals and their landlords and corporate clients. With more offices in more markets than any other commercial brokerage firm, we have your needs covered nationwide.

In today's market, success requires hard work and dedication to find opportunities. Our firm has grown in a down market because we have become experts at positioning buildings and tenants for success. We are built around the central idea that we create the greatest value for our clients by being hands-on, hardworking, and strategic. We believe in regular honest conversations with our clients to ensure we're in tune with the market and the needs of our clients.

As the economy inches towards recovery in the coming months and years, investors are looking for great opportunities to buy, tenants are looking to capitalize on this market, landlords are looking to fill long empty buildings and banks are looking to rebalance their portfolios. This spells plenty of work for an energetic, growing commercial real estate firm.

NAI Global Overview

NAI Global is a trusted partner, committed to your long-term success.

NAI Global is the world's premier network of commercial real estate firms and one of the largest real estate service providers worldwide. Our unique "managed" network structure combines local experts in over 350 offices around the world with regional management, global infrastructure, best practices and technology to provide our clients with consistent, quality results.

- Over 5,000 professionals
- More than 350 offices worldwide
- Local experts in 55+ countries
- 300 million SF of property managed
- $45 billion in annual transaction volume

NAI Global works with leading corporations, private and institutional investors and government entities locally, regionally and around the world. Whether it is negotiating a lease, disposing of an asset or optimizing a global portfolio, we offer flexible, customized solutions designed to advance each client's specific

Recent Transactions

Property sales are a significant part of our business. As a result of assisting individual investors, developers and institutions with the successful disposition of all property types, NAI Benchmark continues to win new assignments and represent clients worldwide.

This success stems from a broad knowledge base within the company. Aided by the company's strong leasing activity, our brokers have a comprehensive understanding of the marketplace. Thus, they are able to draw upon their own expertise and experience, as well as the resources of a full-service real estate firm. This combination provides an immense advantage in the highly competitive field of investment sales.

NAI Benchmark conducts extensive financial and market analyses on all properties marketed for sale, in order to determine an achievable sales price. Additionally, we prepare comprehensive offering documents, identify and target prospective purchasers, and provide consulting services throughout the sales process.

Other marketing efforts that NAI Benchmark provides on behalf of owners include due diligence, purchase negotiation and the coordination of closing details. We offer expertise, advice and in-depth knowledge of the entire sales process to ensure an expedient time frame and maximum value for the sale of the property.

(1) NAI Benchmark's Transactions

a. Approximately 2.14 AC of distressed commercial land sold to Boos Development Corp for the development of a Family Dollar Store
b. 2036 Mariposa Rd, Stockton , CA
c. Client was Delta Bank, not a government entity
d. Joe Muratore of NAI Benchmark represented the Seller, Delta Bank. For this transaction Joe also served as dual agent for the Buyer and Seller.
e. Close Date: Set for January 2014
f. Fee for services provided: $35,600 (5% of $712,000 sales price)
g. References:
i. Mark Bayhi Vice President, Delta Bank 209.824.4087
h. Litigation: N/A

a. Approximately 12,051 of occupied distressed Retail Strip sold to a local investor
b. 4925 Sisk Rd, Salida, CA
c. Seller was not a government entity
d. Joe Muratore represented Seller, Delta Bank. Ryan Swehla of NAI Benchmark represented the Buyer, who is confidential.
e. Close Date: 12/21/2012
f. Fee for services provided: $117,000 (5% of $2,340,000 sales price)
g. References:
i. Mark Bayhi, Vice President, Delta Bank 209.824.4087
h. Litigation: N/A

Recent Transactions

a. Approximately 17,160 sf of vacant warehouse sold to a local owner/user
b. 1850 Grogan Ave, Merced, CA
c. Seller was not a government entity
d. Josh Bower represented Seller, CCLW LLC. This comprised of a group of 5 investors.
e. Close Date: 12/13/2012
f. Fee for services provided: $12,600 (6% of $420,000 sales price)
g. References:
   i. Scot Long-Managing Partner, CCLW LLC
   415.265.3626, scot@v-i-printing.com
   ii. Steve Whitehead-Partner CCLW LLC
   916.764.7941
   ii. Greg Cunningham
   209.550.5955
h. Litigation: N/A

a. Approximately 5796 sf of unoccupied distressed warehouse to a local owner/user
b. 1601 Bessemer Ave, Turlock, CA
c. Seller was not a government entity
d. Joe Muratore and Josh Bower represented the Seller, Delta Bank. For this transaction Joe and Josh served as dual agent for Buyer and Seller
e. Close Date: 8/24/2012
f. Fee for services provided: $17,500 (5% of $350,000 sales price)
g. References:
   i. Mark Bayhi-Vice President, Delta Bank
   209.824.4087
   ii. Jon Gauthier-Buyer
   209.404.5780, john@pizzapeople.net
h. Litigation: N/A

a. Approximately 4500 sf of distressed vacant office sold to a local owner/user
b. 2630 Rumble Rd, Modesto, CA
c. Seller was Zions Bank, not a government entity
d. Joe Muratore of NAI Benchmark represented the Seller
e. Close Date: 3/1/2011
f. Fee for services provided: $21,300 (3% of $715,000 sales price)
g. References:
   i. Zack Nelson, Zions Bank
   801.698.0307

h. Litigation: N/A

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The Team

AGENDA ITEM 2.2

Josh Bower
Associate
phone +1 209 576 2240
mobile +1 209 988 8428
fax +1 209 554 0470
josh@naibenchmark.com

Josh Bower brings to NAI Benchmark seven years of successful marketing strategy development and sales experience. Josh's success has been attributed to not only his aggressive drive to build lasting relationships, but also the valuable insight and solutions he has developed for the clients he has served over the years.

Prior to joining the NAI Benchmark team, Josh worked with large businesses to develop their direct mail marketing campaigns. As account executive handling Stanford University, Sutter Gould, Catholic Healthcare West and others, Josh became their trusted advisors in helping craft compelling marketing programs.

Josh began his sales and marketing career working in advertising for a large regional newspaper. There he helped blue chip companies such as General Motors and Raley's Supermarkets, as well as local retailers and mom & pop businesses, develop successful print and internet marketing campaigns. Throughout his five years of sales and management experience at The Bee, Josh gained the respect and trust of his many clients.

Josh is active in the community as a member of Modesto Rotary and board member of Center for Human Services, The Prospect Theater Project, and Methodist Tiny Tots. He is a coach for Modesto Youth Soccer Association and a member of John Muir Elementary PTA. Josh is a graduate of California State University Stanislaus and is a candidate for Certified Commercial Investment Manager (CCIM) designation.

Joe Muratore, CCIM
Principal
phone +1 209 576 2240
mobile +1 209 534 9455
fax +1 209 554 0470
joe@naibenchmark.com

Prior to founding Benchmark Commercial Real Estate Services, Joe was a Principal and Vice-President at a commercial real estate investment company with assets throughout Northern California. During his tenure there, he managed a portfolio of development, leasing, sales, and financing projects totaling more than $30 million in value. Earlier in his career, Joe worked in management at two regional mid-cap manufacturing and distribution companies.as: rigorous financial analysis, intimate knowledge of operating companies, and a deep understanding of market fundamentals.

Joe chairs NAI Global's Office Practice Group and is an Investment Council Board Member. He is a principal and investment specialist at NAI Benchmark in Northern California. He has closed escrow on over 35 million dollars in investment property sales over the past seven years. He has sold dozens of bank owned assets and is an expert in distressed sales.

Joe holds the Certified Commercial Investment Manager (CCIM) real estate designation and a State of California Real Estate Brokers License. He also holds a Graduate Certificate in Management from Harvard University, and a Bachelors Degree from California State University, Stanislaus.

Marketing Plan

AGENDA ITEM 2.2

NAI Benchmark's goal is to maximize the revenue to the DLA from the sale of the properties and sell the properties as quickly as possible, "as-is" without conditions or extended due diligence. At NAI Benchmark, we create specific, measurable and deadline driven goals to ensure properties are sold at the highest prices possible. We believe accountability is an important aspect of any successful partnership. As a result, we deliver monthly reports on our progress which outline the number of calls, contacts, tours and proposals we procure for your property. We estimate the sales of the 3 properties to be completed within 6 months to one year of obtaining the contract. The spreadsheet below is a sample of our listing activity plan. Combined with the outbound solicitations outlined in the listing activity plan, we will also set up a monthly meeting with our contact to review our activities and discuss future steps including recommendations and ideas for generating more activity.

Through the due diligence phase, NAI Benchmark will require recent Phase I reports on the sites, access to all buildings, and any prior interested buyers to see if there is a likely buyer to contact and what the prior buyer's hesitations were.

Listing Performance-3300 Atchison Street, Riverbank CA

12/2/2013

	Activity	M 1	M 2	M 3	M 4	M 5	M 6	M 7	M 8	M 9	M 10	M 11	M 12	Total
Plan	Emails	40	40	40	40	40	40	40	40	40	40	40	40	480
Actual	Emails													0
Plan	Calls	40	40	40	40	40	40	40	40	40	40	40	40	480
Actual	Calls													0
Plan	Tours	2	2	2	2	2	2	2	2	2	2	2	2	24
Actual	Tours													0
	Incoming													
	Calls													0
	Emails													0

Feedback

Next Steps

Marketing Strategy

Our ultimate goal is to procure qualified buyers which yield the best available return on your investment.

Primary Objectives:
1. Market the property to as many buyers as possible who fit the properties requirements
2. Obtain maximum cooperation from the brokerage community
3. Successfully secure a buyer with optimal terms and conditions
4. Maintain a long term relationship so our team becomes part of your sale strategy

A Comprehensive, Proactive Strategy
The marketing strategy will be carried out by experienced landlord representatives. To facilitate the leasing or sales process, the following methods will be utilized:

Brochures
NAI Benchmark will prepare a professional brochure with pertinent information depicting the subject property, including information about the building and the available space. Brochures will also include maps, plat maps, site plan, aerial photos, etc.

Signage
NAI Benchmark signs will be installed on the property.

Target Marketing/Cold Calling
One of the most important aspects of our marketing effort will be contacting prospects specifically for the purpose of presenting your property. This has proven to be one of the most effective marketing tools we use. Targeted tenants and buyers will be called and given information about the property. A follow up call will also be made to verify that the tenant or buyer is aware of the property, its benefits and the availability.

Internal Communication
Weekly team meetings are held to discuss implementation and execution of strategies for each of our property listings. The listing will also be presented to all in-house agents.

Technology
NAI Benchmark has invested in the most recent cutting edge technology to assist owners. We have a database that is continuously updated, enabling agents to distribute property availability to tenants and buyers specific to their requirements. This ensures the owner quick and efficient exposure to prospects who are most likely to have an interest in the property.

Broker Cooperation
A broadcast email will be sent out to area brokerage companies regarding this listing. We continue to market your property on a regular basis utilizing commercial brokerage websites such as LoopNet, Costar, and the national network of NAI Global.

Leverage Key Relationships
As a result of 25+ years of cumulative experience in the Central Valley real estate, our team is able to utilize key relationships with tenants, owners, and brokers. This enables us to monitor current trends in the market and ensure that your transaction is completed quickly and efficiently.

Accountability and Reporting
We will follow the detailed marketing plan described above to successfully facilitate the leasing or sales process. We will also provide monthly reports to the owner to document our efforts and allow the owner to monitor the progress. At owner's request, we will use NAI's web-based transaction management system (REALTrac) which provides 24/7 real time accountability of the project's activities.

Comparable Sold Properties

140 N 2nd Ave **SOLD**

Oakdale, CA 95361
Sale on 1/31/2013 for $279,000 ($32.82/SF) - Research Complete
8,500 SF Retail Freestanding Building Built in 1953

Transaction Details

Sale Date:	**01/31/2013 (310 days on market)**	Sale Type:	**Investment**
Escrow Length:	**-**	Bldg Type:	**Retail - Freestanding**
Sale Price:	**$279,000-Confirmed**	Year Built/Age:	**Built in 1953 Age: 60**
Asking Price:	**$339,000**	GLA:	**8,500 SF**
Price/SF:	**$32.82**	Land Area:	**0.42 AC (18,295 SF)**
Price/AC Land Gross:	**$664,285.71**		
Percent Leased:	**100.0%**		
Tenancy:	**Multi**	Percent Improved:	**67.3%**
Sale Conditions:	**REO Sale**	Total Value Assessed:	**$450,000 in 2012**
		Improved Value Assessed	**$303,000**
		Land Value Assessed:	**$147,000**
		Land Assessed/AC:	**$350,000**

Financing: **Down payment of $279,000.00 (100.0%)**

Parcel No: **130-10-13**
Document No: **009054**
Sale History: **Sold for $279,000 ($32.82/SF) on 1/31/2013**
Sold for $750,000 ($88.24/SF) on 7/28/2005
Sold for $330,000 ($38.82/SF) on 3/18/1991

3331 Atchison St **SOLD**

Riverbank, CA 95367
Sale on 8/19/2013 for $155,000 ($42.18/SF) - Research Complete
3,675 SF Retail Storefront Building Built in 1947

Transaction Details

Sale Date:	**08/19/2013**	Sale Type:	**Investment**
Escrow Length:	**-**	Bldg Type:	**Retail - Storefront**
Sale Price:	**$155,000-Full Value**	Year Built/Age:	**Built in 1947 Age: 66**
Asking Price:	**-**	GLA:	**3,675 SF**
Price/SF:	**$42.18**	Land Area:	**0.14 AC (6,273 SF)**
Price/AC Land Gross:	**$1,076,388.89**		
Percent Leased:	**100.0%**		
Tenancy:	**Multi**	Percent Improved:	**68.5%**
		Total Value Assessed:	**$205,534 in 2012**
		Improved Value Assessed	**$140,791**
		Land Value Assessed:	**$64,743**
		Land Assessed/AC:	**$449,604**

No. of Tenants: **2**
Tenants at time of sale: **Anderson, Ken Jr; Corning Kelly Tax Service**
Financing: **Down payment of $1,000.00 (0.6%)**
$154,000.00 from Private Individual Fas Fiancial Inc

Parcel No: **132-04-41**
Document No: **071991**
Sale History: **Sold for $155,000 ($42.18/SF) on 8/19/2013**
Sold for $154,500 ($42.04/SF) on 1/4/2013
Sold for $200,000 ($54.42/SF) on 12/21/2009
Sold for $520,000 ($141.50/SF) on 11/16/2005

Valuation:

This site is very unique and there aren't many similar comparables available on the market. Since the building is in severe need of repair and the estimated cost of demolishing the site is $88,000, we suggest a sales price of $200,000 ($156,250/AC). To possibly generate more activity, the service station at 6800 Third Street would also be marketed separately at $75,000 ($21/sf).

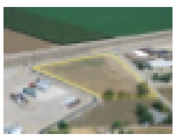
Comparable Listings

Sale Summary Report for Land in Stanislaus County, CA

1 1424 E Whitmore Ave, Ceres, CA

Property Type:	Land	Property Notes
Property Sub-type:	Commercial/Other (land)	
Sale Date:	07/17/2013	
Sale Price:	$165,000 ($116,197.18/Acre)	
Lot Size:	1.42 Acres	

2 6000 Bartch Ave., Patterson, CA

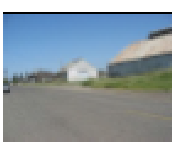


Property Type:	Land	Property Notes
Property Sub-type:	Commercial/Other (land)	
Sale Date:	05/31/2013	
Sale Price:	$185,000 ($82,222.22/Acre)	
Lot Size:	2.25 Acres	

3 4206 Santa Fe Street, Riverbank, CA

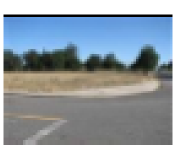
Property Type:	Land	Property Notes
Property Sub-type:	Multifamily (land)	
Sale Date:	05/29/2013	
Sale Price:	$140,000 ($61,674.14/Acre)	
Lot Size:	2.27 Acres	

4 320 G Street, Waterford, CA



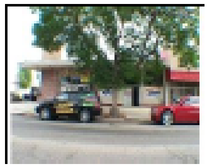
Property Type:	Land	Property Notes
Property Sub-type:	Industrial (land)	
Sale Date:	03/07/2013	
Sale Price:	$133,000 ($67,310.49/Acre)	
Lot Size:	1.98 Acres	

5 6509 Claus Road, Riverbank, CA



Property Type:	Land	Property Notes
Property Sub-type:	Multifamily (land)	
Sale Date:	10/11/2012	
Sale Price:	$126,000 ($65,625.17/Acre)	

Properties for Sale

		
Address	1319 - 1323 Yosemite Blvd Modesto,CA95354	1342 Main St Newman,CA95360
Property Type	Retail	Retail
Property Subtype	Street Retail	Restaurant
Zoning		
Building Size	5,810 SF Bldg	6,400 SF Bldg
Year Built	1953	1907
No. Stories	1	2
Lot Size	0.18 AC	0.17 AC
APN / Parcel ID		128-010-019-000
Asking Price	$395,000	$499,000
Price Per	$67.99 /SF	$77.97 /SF
Cap Rate		
Property Description	Also includes 108 N Santa Cruz. Three units totaling 5800 square feet per county assessor.Highway 132	This historic building has a fully operating Restaurant and Bar! The St. George Hotel features approximately 6400 square feet of space with a REST...
Location Description		Located in the heart of Historic downtown Newman surrounded by many other businesses and high foot traffic.

Compensation Schedule:

NAI Benchmark utilizes the following commission structure: 5% for dual agency, 6% for Seller representation.

Proposed Agreements:

Conflict of Interest Statement:

NAI Benchmark does not have any conflicts of interest with the DLA.

EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY

(Non-Residential)

AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. BASIC PROVISIONS ("BASIC PROVISIONS").

1.1 **Parties:** This agency Agreement **("Agreement")**, dated for reference purposes only 12/6/2013 ,
is made by and between Riverbank Designated Local Authority c/o Kosmont Companies ,
whose address is 865 S Figueroa St, Suite 3500 Los Angeles CA 90017 ,
telephone number (951) 203-8730 , Fax No. (___) ________ ,
("Owner"), and NAI Benchmark ,
whose address is 1031 13th Street, Suite 4, Modesto CA 95354 ,
telephone number (209) 576-2240 , Fax No. (209) 554-0470 ,
("Agent").

1.2 **Property/Premises:** The real property, or a portion thereof, which is the subject of this Agreement is commonly known by the street address of 3300 Atchison Street, 3324 Atchison St, 6800 Third Street ,
located in the City of Riverbank , County of Stanislaus , State of CA , and
generally described as (describe briefly the nature of the property): Vacant commercial buildings and land

("Property"). (See also Paragraph 3).

1.3 **Term of Agreement:** The term of this Agreement shall commence on ________
and expire at 5:00 p.m. on ________, except as it may be extended **("Term")**. (See also paragraph 4)

1.4 **Transaction:** The nature of the transaction concerning the Property for which Agent is employed **("Transaction")** is (check the appropriate box(es)):

(a) ☐ A sale for the following sale price and terms: ________

and other additional standard terms reasonably similar to those contained in the "STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS FOR THE PURCHASE OF REAL ESTATE" published by the AIR Commercial Real Estate Association **("AIR")**, or for such other price and terms agreeable to Owner;

(b) ☐ A lease or other tenancy for the following rent and terms: ________

and other additional standard terms reasonably similar to those contained in the appropriate AIR lease form or for such other rent and terms agreeable to Owner.

2. EXCLUSIVE EMPLOYMENT AND RIGHTS.

2.1 Owner hereby employs Agent as Owner's sole and exclusive agent to represent Owner in the Transaction and to find buyers or lessees/tenants **("lessees")**, as the case may be, for the Property. Agent shall use reasonably diligent efforts to find such buyers or lessees. All negotiations and discussions for a Transaction shall be conducted by Agent on behalf of Owner. Owner shall promptly disclose and refer to Agent all written or oral inquiries or contacts received by Owner from any source regarding a possible Transaction.

2.2 Owner authorizes Agent to:

(a) Place advertising signs on the Property;
(b) Place a lock box on the Property if vacant;
(c) Accept deposits from potential buyers or lessees; and
(d) Distribute information regarding the Property to participants in THE MULTIPLE **("MULTIPLE")** of the AIR and/or any other appropriate local commercial multiple listing service, to other brokers, and to potential buyers or lessees of the Property. Owner shall identify as "confidential" any

information provided to Agent that Owner considers confidential and does not want disclosed. All other information provided by Owner may be disclosed as Agent may deem appropriate or necessary. After consummation of a Transaction, Agent may publicize the terms of such Transaction.

2.3 Agent shall comply with the Rules of Professional Conduct of the AIR, if a member or if not, the Rules of Professional Conduct of the Society of Industrial and Office Realtors, and shall submit the Property to the MULTIPLE. Agent shall cooperate with participants in the MULTIPLE and may, at Agent's election, cooperate with other real estate brokers (collectively **"Cooperating Broker"**). A Cooperating Broker may, as a third-party beneficiary hereof, enforce the terms of this Agreement against Owner or Agent.

2.4 If the Transaction is a sale and Agent finds a prospective buyer for the Property, or if the Transaction is a lease and Agent finds a prospective lessee for the Property, Owner hereby authorizes Agent also to represent and act as the agent for such buyer or lessee, and Owner consents to such dual agency. If a Cooperating Broker finds such a buyer or lessee, then Agent shall act as agent for Owner only, the Cooperating Broker shall act as agent for the buyer or lessee only, and the Cooperating Broker shall not be Owner's agent, even though the Cooperating Broker may share in the commission paid by Owner to Agent. A Cooperating Broker shall not be an agent or subagent of Owner or Agent.

2.5 Owner agrees that Agent may, during the ordinary and normal course of marketing the Property, respond to inquiries on the Property by showing and providing information on the Property, as well as on other competing properties, to prospective buyers and lessees and that such activities may result in the payment of a commission to Agent by a third party.

3. PROPERTY.

3.1 The term "Property" shall include all of the following which are currently located on the Property and owned by Owner: permanent improvements, electrical distribution systems (power panels, buss ducting, conduits, disconnects, lighting fixtures, etc.), telephone distribution systems (lines, jacks and connections), space heaters, air conditioning equipment, air lines, carpets, window coverings, wall coverings, partitions, doors, suspended ceilings, built-ins such as cabinets, and ____

____

(if there are no additional items write "NONE"). If the Transaction is a sale, the term "Property" shall additionally include, to the extent owned by Owner, oil and mineral rights, leases and other agreements which will continue in effect after Owner's transfer of title to the Property.

3.2 Within five business days after the commencement of the Term hereof, Owner shall provide Agent with the following:

(a) A duly completed and fully executed Property Information Sheet on the most current form published by the AIR;

(b) Copies of all leases, subleases, rental agreements, option rights, rights of first refusal, rights of first offer, or other documents containing any other limitations on Owner's right, ability and capacity to consummate a Transaction, and

(c) If available to Owner, copies of building plans, and if the Transaction is a sale, title reports, boundary surveys, and existing notes and trust deeds which will continue to affect the Property after consummation of a sale.

3.3 Agent shall have no responsibility for maintenance, repair, replacement, operation, or security of the Property, all of which shall be Owner's sole responsibility. Unless caused by Agent's gross negligence, Agent shall not be liable for any loss, damage, or injury to the person or property of Owner, any lessees of the Property, any buyer, prospective buyer, lessee, or prospective lessee, including, but not limited to, those which may occur as a result of Agent's use of a lock box.

4. EXTENSION OF TERM. If the Transaction is a sale, and a sale is not consummated for any reason after Owner accepts an offer to purchase the Property **("Sale Agreement")**, then the expiration date of the Term of this Agreement shall be extended by the number of days that elapsed between the date Owner entered into the Sale Agreement and the later of the date on which the Sale Agreement is terminated or the date Owner is able to convey title to a new buyer free and clear of any claims by the prior buyer of the Property; provided, however, in no event shall the Term be so extended beyond one year from the date the Term would have otherwise expired.

5. COMMISSION.

5.1 Owner shall pay Agent a commission ☐ in the amount of ____

☐ in accordance with the commission schedule attached hereto **("Agreed Commission")**, for a Transaction, whether such Transaction is consummated as a result of the efforts of Agent, Owner, or some other person or entity. Agent shall also be entitled to the Agreed Commission if any of the Owner's representations and warranties described in paragraph 8 are shown to be false. Such Agreed Commission is payable:

(a) If the Transaction is a sale, (i) a buyer is procured who is ready, willing and able to buy the Property at the price and on the terms stated herein, or on any other price and terms agreeable to Owner; (ii) Owner breaches or repudiates any Sale Agreement, escrow instructions or other documents executed by Owner regarding the sale of the Property; (iii) the Property or any interest therein is voluntarily or involuntarily sold, conveyed, contributed or transferred; (iv) the Property or any interest therein is taken under the power of Eminent Domain or sold under threat of condemnation, or (v) if Owner is a partnership, joint venture, limited liability company, corporation, trust or other entity, and any interest in Owner is voluntarily or involuntarily sold, contributed, conveyed or transferred to another person or entity that, as of the date hereof, does not have any ownership interest in Owner;

(b) If the Transaction is a lease, (i) a lease of the Property, or a portion thereof is executed; or (ii) a lessee is procured who is ready, willing and able to lease the Property on the terms stated herein, or on any other rent and/or terms agreeable to Owner; or

(c) If Owner (i) removes or withdraws the Property from a Transaction or the market; (ii) acts as if the Property is not available for a Transaction; (iii) treats the Property as not available for a Transaction; (iv) breaches, terminates, cancels or repudiates this Agreement; (v) renders the Property unmarketable; or (vi) changes the status of the Property's title, leases, agreements, physical condition or other aspects thereof, which such change adversely impacts the value, use, desirability or marketability of the Property.

5.2 If the Transaction is a sale, the purchase agreement and/or escrow instructions to be entered into by and between Owner and a buyer of the Property shall provide that:

(a) Owner irrevocably instructs the escrow holder to pay from Owner's proceeds accruing to the account of Owner at the close of escrow the Agreed Commission to Agent;

(b) A contingency to the consummation of the sale shall be the payment of the Agreed Commission to Agent at or prior to close of the escrow; and

(c) No change shall be made by Owner or buyer with respect to the time of, amount of, or the conditions to payment of the Agreed Commission, without Agent's written consent.

6. ALTERNATIVE TRANSACTION. If the Transaction changes to any other transaction, including, but not limited to, a sale, exchange, option to buy, right of first refusal, ground lease, lease, sublease or assignment of lease (collectively **"Alternative Transaction"**), then Agent shall automatically be Owner's sole and exclusive Agent for such Alternative Transaction and represent Owner in such Alternative Transaction, under the terms and conditions of this Agreement. If, during the Term hereof, an Alternative Transaction is entered into, then Owner shall pay Agent the Agreed Commission.

7. EXCLUDED AND REGISTERED PERSONS.

7.1 Owner shall, within 5 business days after the date hereof, provide Agent, in writing, with the names of those persons or entities registered with Owner by any other broker under any prior agreement concerning the Property **("Excluded Persons", see paragraph 7.5)**. Owner shall also specify for each Excluded Person the type of transaction the consummation of which during the Term of this Agreement entitles such other broker to any compensation **("Excluded Transaction")**. Agent may within 10 days of receiving such written list, either (a) accept the Excluded Persons and Excluded Transactions, (b) cancel this Agreement, or (c) attempt to renegotiate this portion of the Agreement with Owner. Once accepted by Agent, the written list shall automatically become an exhibit to this Agreement. If Owner timely provides Agent with the names of the Excluded Persons and specifies the Excluded Transaction for each Excluded Person, then the Agreed Commission paid to Agent with respect to consummation of such an Excluded Transaction with an Excluded Person shall be limited as follows: if such Excluded Transaction is concluded within the first 30 days of the commencement of the Term hereof, then Agent shall be paid a commission equal to the reasonable out-of-pocket expenses incurred by Agent in the marketing of the Property during said 30 days; or if such Excluded Transaction is concluded during the remainder of the Term hereof, then Agent shall be entitled to a commission equal to one-half of the Agreed Commission. If the specified information concerning Excluded Persons and Transactions is not provided as set forth herein, then it shall be conclusively deemed that there are no Excluded Persons.

7.2 Agent shall, within 5 business days after the expiration of the Term hereof, provide Owner, in writing, with the name of those persons or entities with whom Agent either directly or through another broker had negotiated during the Term hereof **("Registered Persons", see paragraph 7.5)**, and specify the type of transaction of the Property for which such negotiations were conducted **("Registered Transaction")**. Those persons or entities who submitted written offers or letters of intent shall, however, automatically be deemed to be Registered Persons for the type of transaction which was the subject of such offer or letter of intent. If Agent fails to timely notify Owner of the existence of any other Registered Persons, then it shall be conclusively deemed that there are no other Registered Persons. A person or entity shall not be a Registered Person if Agent fails to timely specify a Registered Transaction for such person or entity. The parties are aware that the registration of certain individuals and/or entities might create a Dual Agency, and Owner hereby consents to any such Dual Agency.

7.3 If, within 180 days after the expiration of the Term hereof, Owner enters into a contract with a Registered Person for consummation of a Registered Transaction, then Owner shall, upon consummation of such Registered Transaction, pay Agent the Agreed Commission for the Registered Transaction.

7.4 If, within 180 days after the expiration of the Term hereof, Owner enters into another owner-agency or listing agreement with a broker other than Agent for any transaction concerning the Property, then Owner shall provide to Owner's new broker the names of the Registered Persons and the Registered Transaction for each Registered Person, and provide in such new agreement that the new broker shall not be entitled to receive any of the compensation payable to Agent hereunder for consummation of a Registered Transaction with a Registered Person.

7.5 In order to qualify to be an Excluded Person or a Registered Person the individual or entity must have: toured the Property, submitted a letter of interest or intent, and/or made an offer to buy or lease the Property. In addition, Excluded Persons may only be registered by a broker who previously had a valid listing agreement covering the Property, and such broker may only register individuals and entities actually procured by such listing broker.

8. OWNER'S REPRESENTATIONS.

Owner represents and warrants that:

(a) Each person executing this Agreement on behalf of Owner has the full right, power and authority to execute this Agreement as or on behalf of Owner;

(b) Owner owns the Property and/or has the full right, power and authority to execute this Agreement and to consummate a Transaction as provided herein, and to perform Owner's obligations hereunder;

(c) Neither Owner nor the Property is the subject of a bankruptcy, insolvency, probate or conservatorship proceeding;

(d) Owner has no notice or knowledge that any lessee or sublessee of the Property, if any, is the subject of a bankruptcy or insolvency proceeding;

(e) There are no effective, valid or enforceable option rights, rights of first refusal, rights of first offer or any other restrictions, impediments or limitations on Owner's right, ability and capacity to consummate a Transaction, except as disclosed in writing pursuant to Paragraph 3.2(b).

(f) That as of the date of this Agreement the asking sales price is not less than the total of all monetary encumbrances on the Property.

9. OWNER'S ACKNOWLEDGMENTS. Owner acknowledges that it has been advised by Agent to consult and retain experts to advise and represent it concerning the legal and tax effects of this Agreement and consummation of a Transaction or Alternative Transaction, as well as the condition and/or legality of the Property, including, but not limited to, the Property's improvements, equipment, soil, tenancies, title and environmental aspects. Agent shall have no obligation to investigate any such matters unless expressly otherwise agreed to in writing by Owner and Agent. Owner further acknowledges that in determining the financial soundness of any prospective buyer, lessee or security offered, Owner will rely solely upon Owner's own investigation, notwithstanding Agent's assistance in gathering such information.

10. MISCELLANEOUS.

10.1 This Agreement shall not be construed either for or against Owner or Agent, but shall be interpreted, construed and enforced in accordance with the mutual intent of the parties ascertainable from the language of this Agreement.

10.2 All payments by Owner to Agent shall be made in lawful United States currency. If Owner fails to pay to Agent any amount when due under this Agreement, then such amount shall bear interest at the rate of 15% per annum or the maximum rate allowed by law, whichever is less.

10.3 In the event of litigation or arbitration between Owner and Agent arising under or relating to this Agreement or the Property, the prevailing party shall be paid its attorney's fees and costs by the losing party. The term, "Prevailing Party" shall include, without limitation, one who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense. The attorney's fees award shall not be computed in accordance with any court fee schedule, but shall be in an amount to fully reimburse all attorney's fees reasonably incurred in good faith.

10.4 Owner agrees to indemnify, defend (with counsel reasonably acceptable to Agent), and hold Agent harmless from and against any claim or liability asserted against Agent as a result of the failure of Owner to make a full and complete disclosure pursuant to law and paragraph 3.2(a) or as a result of the fact that any of the representations made by Owner (see paragraph 8) were not true at the time that this Agreement was signed.

10.5 Owner hereby releases and relieves Agent, and waives Owner's entire right of recovery against Agent, for direct or consequential loss or damage arising out of or incident to the perils covered by insurance carried by Owner, whether or not due to the negligence of Agent.

__________ __________

INITIALS **INITIALS**

10.6 In the event that the Transaction is not an outright sale, Owner agrees that if Agent is not paid the Agreed Commission provided for herein within thirty days of the date due, that Agent shall have a lien in the amount of such commission, and may record a notice of such lien, against the Property.

10.7 Owner agrees that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to the services to be performed by Agent pursuant to this Agreement may be brought against Agent more than one year after the expiration of the Term of this Agreement (see paragraph 1.3) and that the liability (including court costs and attorney's fees) of Agent with respect to any such lawsuit and/or legal proceeding shall not exceed any fee received by Agent pursuant to this Agreement; provided, however, that the foregoing limitation on liability shall not be applicable to any gross negligence or willful misconduct of Agent.

11. ARBITRATION OF DISPUTES.

11.1 ANY CONTROVERSY ARISING UNDER OR RELATING TO THIS AGREEMENT SHALL BE DETERMINED BY BINDING ARBITRATION TO BE CONDUCTED BY: ☐ THE AMERICAN ARBITRATION ASSOCIATION OR ☐ ______________________________ USING THE COMMERCIAL RULES ESTABLISHED BY SUCH ORGANIZATION OR IF NONE THE AMERICAN ARBITRATION ASSOCIATION'S COMMERCIAL RULES. ARBITRATION HEARINGS SHALL BE HELD IN THE COUNTY WHERE THE PROPERTY IS LOCATED.

11.2 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.

11.3 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.

____________________	____________________
Owner's Initials	Agent's Initials

11.4 THE PROVISIONS OF THE ABOVE ARBITRATION CLAUSE SHALL NOT BE BINDING ON EITHER PARTY UNLESS BOTH PARTIES HAVE PLACED THEIR INITIALS UNDER PARAGRAPH 11.3.

12. Additional Provisions: Additional provisions of this Agreement are set forth in the following blank lines or in an addendum attached hereto and made a part hereof consisting of paragraphs ____________ through ____________ (if there are no additional provisions write "NONE"):

13. Disclosures Regarding The Nature of a Real Estate Agency Relationship. When entering into an agreement with a real estate agent an Owner should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction.

(i) *Owner's Agent.* An Owner's agent may act as an agent for the Owner only. An Owner's agent or subagent has the following affirmative obligations: *To the Owner:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings. *To a potential buyer/lessee and the Owner:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) *Agent Representing Both Parties.* A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both Parties in a transaction, but only with the knowledge and consent of the Parties. In a dual agency situation, the agent has the following affirmative obligations to both Parties: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Party. b. Other duties to the Owner as stated above in subparagraph (i). When representing both Parties, an agent may not without the express permission of the respective Party, disclose to the other Party that the Owner will accept rent/purchase price in an amount less than that indicated in the listing or that the buyer/lessee is willing to pay a higher rent/purchase price than that offered.

The above duties of the Agent do not relieve Owner from the responsibility to protect its own interests. Owner should carefully read all agreements to assure that they adequately express its understanding of the transaction.

"OWNER"	**"AGENT"**
______________________________	______________________________
______________________________	______________________________
By: ______________________________	By: ______________________________
Name Printed: ______________________	Name Printed: ______________________
Title: ______________________________	Title: ______________________________
Date: ______________________________	Date: ______________________________
	Agent DRE License #: ________________
	______________________________

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 500 N Brand Blvd, Suite 900, Glendale, CA 91203. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

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AGENDA ITEM 2.3

DESIGNATED LOCAL AUTHORITY
FINANCIAL STATUS
AS OF JANUARY 1, 2014

	DLA Administration	Debt Service Series A	Debt Service Series B	Total
Cash On Hand	3,543.40	-	-	3,543.40
Debt Service Reserve*	-	10,195.10	49,365.57	59,560.67
Current Total	3,543.40	10,195.10	49,365.57	63,104.07
January 2014 Revenues Received	406.94	217,300.69	54,325.17	272,032.80
Est. Cash Available for Enf. Obligations	3,950.34	227,495.79	103,690.74	335,136.87
Outstanding Enforceable Obligations 01/2014-06/2014	406.94	276,240.63	68,896.25	345,543.82
Ending Reserve	**3,543.40**	**(48,744.84)**	**34,794.49**	**(10,406.95)**
Anticipated Revenue June 2014**	4,200.00	196,380.25	49,095.06	249,675.32
Debt Service Aug 2014	-	541,240.63	138,896.25	680,136.88
Enforceable Obligations 07/14-12/14	4,606.94	-	-	4,606.94
Surplus/(Deficit)	**3,136.46**	**(393,605.22)**	**(55,006.69)**	**(445,475.45)**

*Per US Bank as of December 31, 2013
**Staff Estimates

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I-PAYABLES (ACH) ELECTRONIC PAYMENTS

STANISLAUS COUNTY AUDITOR-CONTROLLER
1010 10TH STREET, SUITE 5100
MODESTO, CA 95354

Auditor's Office Use Only
Vendor #____________

Thank you for your interest in accepting electronic payments (I-Payables) from Stanislaus County. By registering for I-Payables, you authorize the County of Stanislaus to directly deposit your invoice payments to your bank account.

Please fill out the Direct Deposit, Remittance and Authorization sections and mail the registration form to the address below or send a scanned copy of the registration form to our e-mail address, AC-AccountsPayable@stancounty.com . For questions, feel free to contact our office at 209-525-6405 between 8 am and 5 pm.

I. *Direct Deposit*

Please provide your bank's ABA number and the number of the checking or savings account to which we should deposit payments. Use the sample check at the bottom of this form to locate this information on the MICR line of one of your checks.

Bank ABA # ______________________________ (9 digits)

Account # ______________________________Choose one ☐ Checking ☐ Savings

II. *Remittance*

If you would like to receive a payment remittance notification on the day of payment, please provide your e-mail address below. If you do not provide an e-mail address, payments will be deposited into your account without notification.

E-Mail address ______________________________________

III. *Authorization*

Company Name____ **Taxpayer ID #** _________________________________

Name _______________________________________ **Title**_________________________**Phone #**________________________
(Please print)

Signature ____ **Date** ____

COMPANY NAME 1234
123 MAIN ST STE 207 Santa Rosa Bank and Trust
ANY TOWN USA 12345 Santa Rosa CA

DATE: _________________

Pay to the
Order of ____ $ _______________________

____ Dollars

Memo: ____________________________ ____________________________

{. 123456789}* 5555555

Bank ABA # **Account#**

Note: You may revoke your direct deposit authorization at any time by providing written notification to us at the address below:

Stanislaus County Auditor-Controller
Accounts Payable Division
P O Box 770
Modesto, CA 95353 0770