

AGENDA
IRVINE RANCH WATER DISTRICT
FINANCE AND PERSONNEL COMMITTEE MEETING
TUESDAY, JUNE 1, 2021

Due to COVID-19, this meeting will be conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspend certain requirements of the Ralph M. Brown Act. Members of the public may not attend this meeting in person.

Participation by Committee Members will be from remote locations. Public access and participation will only be available telephonically/electronically.

To virtually attend the meeting and to be able to view any presentations or additional materials provided at the meeting, please join online via Webex using the link and information below:

Via Web: <https://irwd.webex.com/irwd/j.php?MTID=m358cec9350ecbfe9d6489470352453fa>

Meeting Number: 146 792 8003

Password: mkXdmJFZ333

After joining the meeting, in order to ensure all persons can participate and observe the meeting, please select the "Call in" option and use a telephone to access the audio for the meeting shown.

Please enter the attendee identification number, which will be provided when you connect to Webex, followed by #.

As courtesy to the other participants, please mute your phone when you are not speaking.

CALL TO ORDER 11:30 a.m., District Office
15600 Sand Canyon Avenue, Irvine, California

ATTENDANCE Chair: Peer Swan _____ Member: Steve LaMar _____

<u>ALSO PRESENT</u>	Paul Cook	_____	Cheryl Clary	_____
	Wendy Chambers	_____	Kevin Burton	_____
	Paul Weghorst	_____	Rob Jacobson	_____
	Tom Malone	_____	Tiffany Mitcham	_____
	Eileen Lin	_____	Christopher Smithson	_____
	Jennifer Davis	_____	Allen Shinbashi	_____
	_____	_____	_____	_____

PUBLIC COMMENT NOTICE

If you wish to address the Committee on any item, please submit a request to speak via the "chat" feature available when joining the meeting virtually. Remarks are limited to three minutes per speaker on each subject. You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 8:00 a.m. on Tuesday, June 1, 2021.

ALL VOTES SHALL BE TAKEN BY A ROLL CALL VOTE.

COMMUNICATIONS

1. Notes: Clary
2. Public Comments
3. Determine the need to discuss and/or take action on item(s) introduced, which came to the attention of the District subsequent to the agenda being posted.
4. Determine which items may be approved without discussion.

INFORMATION

5. EMPLOYEE POPULATION AND TURNOVER STATUS REPORT – SRADER / MITCHAM

Recommendation: Receive and file.

6. MONTHLY INVESTMENT AND DEBT REVIEW – DAVIS / JACOBSON / CLARY

Recommendation: Receive and file.

7. INFORMATION SERVICES PROJECT STATUS REPORT – MALONE / CLARY

Recommendation: Receive and file.

8. RISK MANAGEMENT QUARTERLY REPORT – KANOFF / SHINBASHI / JACOBSON / CLARY

Recommendation: Receive and file.

ACTION

9. REAL ESTATE QUARTERLY PERFORMANCE AND LISTING AGREEMENT EXTENSION – DAVIS / JACOBSON / CLARY

Recommendation: That the Committee approve extending listing agreements for the 230 Commerce and Waterworks Business Park office properties with Colliers International under previously agreed-upon commission terms and expiring February 28, 2022.

OTHER BUSINESS

10. CLOSED SESSION:

A. CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION –
Pursuant to Government Code Section 54956.9(d)(1):

- *Victoria Gleason v. County of Orange, et al.*, Case No. 30-2018-00977432
- *United States, et al., ex rel. John Hendrix, et al. v. J-M Manufacturing Company, Inc., et al.*, Case No. CV 06-0055-GW
- *State of Nevada, et al. v. J-M Manufacturing Company, Inc., et al.*, Los Angeles Case No. BC459943
- *Mary Beth Rash v. City of Irvine, et. seq.*, Case No. 30-2018-01010123
- *Michael Brown v. PEI Engineering & Construction, et. seq.*, Case No. 30-2020-01154719
- *Andrea Jane Sura, et al. v. IRWD, et al.*, Case No. 30-2020-01173344

B. CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION –
Pursuant to Government Code Section 54956.9(d)(2): significant exposure to litigation. (*One (1) potential case; Main Street Notice of Subrogation.*)

11. Open Session

12. Directors' Comments

13. Adjournment

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the above-named Committee in connection with a matter subject to discussion or consideration at an open meeting of the Committee are available for public inspection in the District's office, 15600 Sand Canyon Avenue, Irvine, California ("District Office"). If such writings are distributed to members of the Committee less than 72 hours prior to the meeting, they will be available from the District Secretary of the District Office at the same time as they are distributed to Committee Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available electronically via the Webex meeting noted. Upon request, the District will provide for written agenda materials in appropriate alternative formats, and reasonable disability-related modification or accommodation to enable individuals with disabilities to participate in and provide comments at public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, or alternative format requested at least two days before the meeting. Requests should be emailed to comments@irwd.com. Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

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June 1, 2021
Prepared by: L. Srader
Submitted by: T. Mitcham
Approved by: Paul A. Cook *PAC.*

FINANCE AND PERSONNEL COMMITTEE

EMPLOYEE POPULATION AND TURNOVER STATUS REPORT

SUMMARY:

Staff has prepared various population and turnover reports for Committee review.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

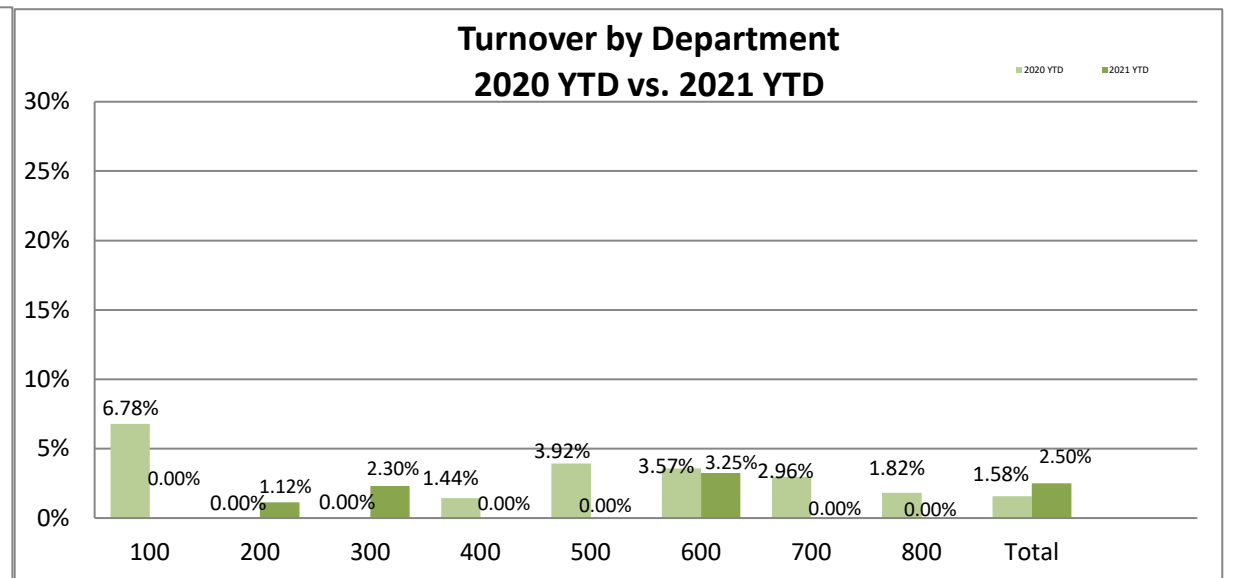
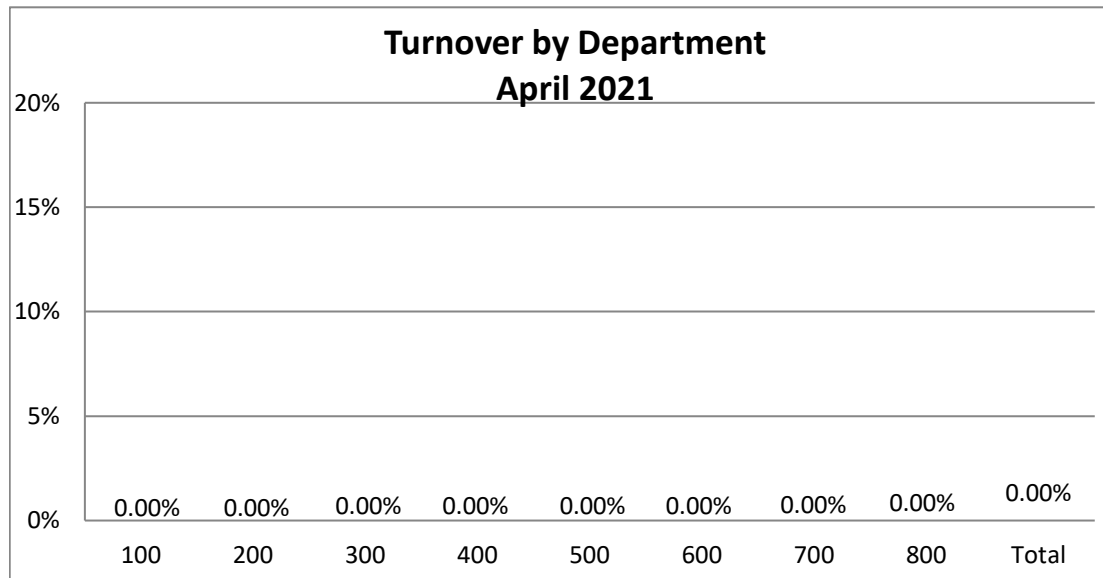
LIST OF EXHIBITS:

Exhibit "A" – Employee Population/Turnover Status Report

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EXHIBIT A
IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
April 2021

	@4/01/21	Current Month Activity							@4/30/21						Internal Turnover		External Turnover	
Dept	Positions Filled	New Hires	Terms		Promo Trnsfr		Lateral Trnsfr		Positions Filled	Positions Unfilled	FY 20/21 Budgeted Positions	Avg FYTD Filled Budget Positions	Avg FYTD Temp Emp FTE	Avg FYTD Total Filled Positions	Current Period	2020 YTD	Current Period	2021 YTD
			Vol	Invol	In	Out	In	Out										
100	16.0								16.0	0	16.0	15.5	1.1	16.6	0.00%	0.00%	0.00%	0.00%
200	89.0								89.0	3	92.0	89.8	2.4	92.2	0.00%	0.00%	0.00%	1.12%
300	43.0								43.0	1	44.0	43.4	0.0	43.4	0.00%	0.00%	0.00%	2.30%
400	70.0								70.0	3	73.0	69.7	3.4	73.1	0.00%	0.00%	0.00%	0.00%
500	53.0								53.0	8	61.0	51.6	1.9	53.5	0.00%	0.00%	0.00%	0.00%
600	30.0								30.0	1	31.0	29.9	6.0	35.9	0.00%	0.00%	0.00%	3.25%
700	33.0								33.0	2	35.0	33.4	0.0	33.4	0.00%	0.00%	0.00%	0.00%
800	56.0								56.0	5	61.0	55.5	0.9	56.4	0.00%	0.00%	0.00%	0.00%
Totals	390	0	0	0	0	0	0	0	390.0	23	413.0	388.8	15.6	404.4	0.00%	0.00%	0.00%	2.50%
4/20	380	1	2	0	2	2	0	0	379	28	407.0	372.3	24.5	396.7	0.53%	0.53%	0.53%	1.58%

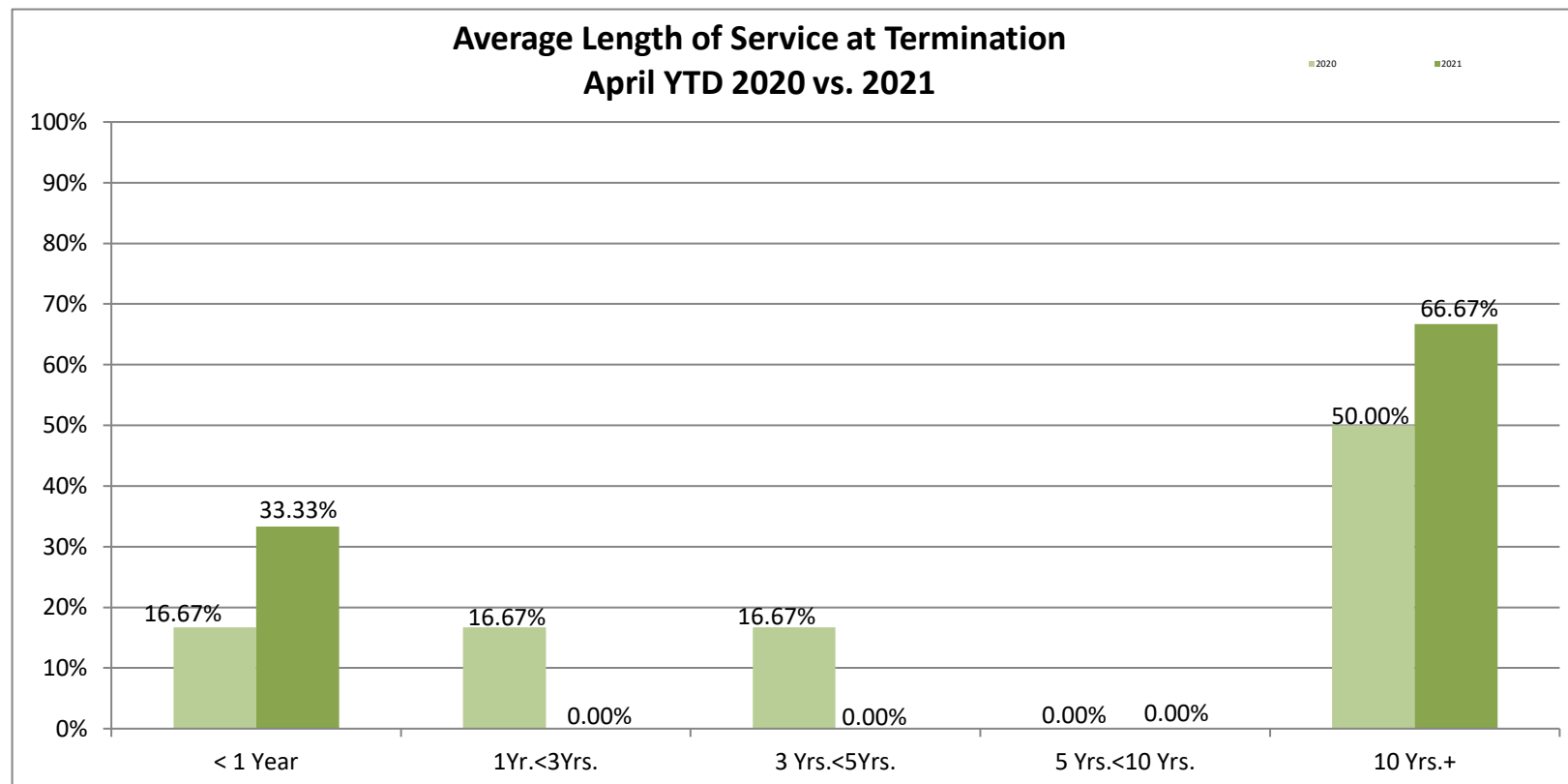


100-GM, HR, Safety; 200-Fin., Cust. Serv., IS, Purch.; 300-Eng.; 400-Water Ops; 500-Recycling; 600-WQ&RC; 700-Water Res., Recyc. Water and Public Affairs; 800-Adm. & Maintenance Ops

**IRVINE RANCH WATER DISTRICT
TURNOVER LONGEVITY RATIO
April 2021**

Dept.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD Turnover Longevity Ratio				
														< 1 Year	1Yr.<.3Yrs.	3 Yrs.<.5Yrs.	5 Yrs.<.10 Yrs.	10 Yrs.+
100													0					
200	1												0					1
300		1											1					1
400													0					
500													0					
600			1										1	1				
700													0					
800													0					
2021 Total	1	1	1	0	0	0	0	0	0	0	0	0	3	1	0	0	0	2
2020 Data	2	0	2	2	3	1	2	0	1	1	0	4	18					
Percentage of Total Turnover														33.33%	0.00%	0.00%	0.00%	66.67%

2021 Average YTD Length of Service at Termination	14.44 Years
2020 Average YTD Length of Service at Termination	16.33 Years
2019 Average YTD Length of Service at Termination	9.21 Years
2018 Average YTD Length of Service at Termination	13.85 Years
2017 Average YTD Length of Service at Termination	14.35 Years



**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT**

April 2021

NEW HIRES				
Date	Dept	Employee Name	Position	Comments

TERMINATIONS					
Date	Dept	Employee Name	Position	Reason	Comments

RETIREMENTS					
Date	Dept	Employee Name	Position	Reason	Comments

PROMOTIONS					
Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position

TRANSFERS					
Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position

CROSS TRAINING					
Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
April 2021**

UNFILLED POSITIONS			
Dept	Position	Salary Grade	Comments
200	User Support Administrator	U32.N	Recruiting
200	User Support Manager	U20.E	Recruiting
200	Treasury Analyst	U13.E	Recruiting
300	Development Services Supervisor	U10.E	
400	Field Services Manager	U18.E	
400	Metering Systems Technician I	16.N	
400	Metering Systems Technician II	22.N	
500	Cybersecurity Analyst	U18.E	Recruiting
500	Process Specialist	32.N	
500	Collection Systems CCTV Technician	21.N	
500	Operations Supervisor	S35.N	
500	Collection Systems Supervisor	S32.N	
500	Operator II	27.N	Recruiting
500	Operator III	29.N	Recruiting
500	Operator II	27.N	Recruiting
600	Regulatory Compliance Administrator	U12.E	
700	Cross Connection Specialist	26.N	Recruiting
700	Director of Public Affairs	U27.E	TBD
800	Reliability Engineer	U20.E	Recruiting
800	Senior Electrical Technician	30.N	Recruiting
800	Senior Instrumentation Technician	30.N	
800	Electrical Technician	28.N	Recruiting
800	Director of Field Operations	U27.E	

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
April 2021**

LEAVE OF ABSENCE					
Type of Leave	Pay Status	Date Leave Began	Anticipated Return Date	Current Length	Comments
WC/FMLA/CFRA	SDI	10/23/2020	5/7/2021	6 months	
FMLA/CFRA	SDI	4/22/2021	5/12/2021	1 week	
FMLA/CFRA	SDI	4/16/2021	10/15/2021	2 weeks	
FMLA/CFRA	SDI	3/29/2021	4/12/2021	1 month	
FMLA/CFRA	SDI	2/26/2021		2 months	

Leave	Original Status	Date Leave Began	Return Date	Length	Return Date	Comments
WC/FMLA/CFRA	SDI	2/3/2020	4/13/2020	1 month	04/13/20	Returned
FFCRA/FMLA	SDI	6/26/2020	8/5/2020	1 month	8/5/2020	Returned
FFCRA/FMLA	SDI	6/21/2020	7/6/2020	3 weeks	7/6/2020	Returned
FFCRA/FMLA	SDI	6/22/2020	7/6/2020	3 weeks	7/6/2020	Returned
FMLA/CFRA	SDI	6/20/2020	7/6/2020	3 weeks	7/6/2020	Returned
FMLA/CFRA	SDI	6/2/2020	7/6/2020	1 month	7/6/2020	Returned
FMLA/CFRA	SDI	6/1/2020	7/13/2020	1.5 months	7/13/2020	Returned
FMLA/CFRA	SDI	5/7/2020	7/27/2020	3 months	7/27/2020	Returned
FMLA/CFRA	SDI	7/2/2020	7/28/2020	1 month	7/28/2020	Returned
FMLA/CFRA	SDI	7/29/2020	8/31/2020	1 month	8/31/2020	Returned
FMLA/CFRA	SDI	7/21/2020	9/2/2020	2 weeks	09/02/20	Returned
FMLA/CFRA	SDI	8/4/2020	9/8/2020	1 month	09/08/20	Returned
FMLA/CFRA	SDI	9/22/2020	10/15/2020	1 month	10/15/20	Returned
FFCRA/FMLA	SDI	9/8/2020	10/12/2020	2 months	10/12/20	Returned
FFCRA/FMLA	LVBK	9/8/2020	10/8/2020	1 month	10/08/20	Returned

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT**

Month	Length of Employment	Termination		Comments
		Vol	Invol	
January	28 years, 9 months	X		Retirement
February	13 years, 10 months	X		Moved out of state
March	9 months		X	Probation Rejection
April				
May				
June				
July				
August				
September				
October				
November				
December				

**IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES**

ACTIVE											
Current Month	FYTD Ave Hours Worked	PERS Enroll- ment	Agency		Hourly	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.42 0.42	0.48 0.48	Yes		130 100	47.75	84	4,011.00	10	10	40,110.00	36,099.00
0.00 0.92 0.92	0.00 1.00 1.00	Yes Yes		200 200 200	56.55 22.37	84 168	4,750.20 3,758.16	12 12	10 10	47,502.00 37,581.60	339.30 36,531.33
0.31 0.25 0.57	0.44 0.27 0.71	EXC EXC		300 300 300	18.00 17.00	84 84	1,512.00 1,428.00	12 9	10 8	15,120.00 11,424.00	12,492.00 7,250.50
1.00 1.00 2.00	1.00 0.97 1.97	No Yes	X	400 400 400	23.92 23.92	168 168	4,018.56 4,018.56	12 10	10 10	40,185.60 40,185.60	41,680.60 37,093.94
0.98 0.93 1.00 2.92	0.77 0.27 0.29 1.34	Yes No No	X X X	500 500 500 500	29.23 33.13 33.13	168 168 168	4,910.64 5,565.84 5,565.84	12 4 4	9 4 4	44,195.76 22,263.36 22,263.36	35,704.45 14,345.29 15,239.80
1.00 0.99 0.88 0.93 0.28 4.07	1.00 1.00 1.00 1.00 0.58 4.58	No No No No EXC	X X X X	600 600 600 600 600 600	32.76 32.76 32.76 32.76 15.00	168 168 168 168 84	5,503.68 5,503.68 5,503.68 5,503.68 1,260.00	11 12 12 12 12	10 10 10 10 10	55,036.80 55,036.80 55,036.80 55,036.80 12,600.00	57,339.83 56,232.54 56,247.77 55,462.68 13,680.00
0.98 0.98 0.54 2.50	1.00 0.95 0.49 2.43	No No EXC	X X	700 700 700 700	30.92 30.92 14.00	168 168 84	5,194.56 5,194.56 1,176.00	10 10 10	10 10 7	51,945.60 51,945.60 8,232.00	49,286.48 46,302.70 10,710.00
0.00	0.00			800							
13.39	12.52										

**IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES**

TERMINATED											
Current Month FTE	Avg FYTD Temp Emp FTE	Active PERS Y/N *	Agency	Dept	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FYTD	Actual Cost FYTD
0.25	0.21	No	X	140	37.15	168	6,241.20	6	3	18,723.60	12,468.65
0.41	0.45	No	X	140	40.43	168	6,792.24	8	5	33,961.20	28,988.31
0.25	0.21			100							
0.25	0.25	Yes		200	22.37	168	3,758.16	12	3	11,274.48	8,746.67
0.56	0.85	Yes		200	23.92	168	4,018.56	2	4	16,074.24	14,017.12
1.00	0.29	No	X	200	37.73	168	6,338.64	6	2	12,677.28	11,319.00
1.81	1.38			200							
0.93	0.95	Yes		300	37.70	168	6,333.60	6	6	38,001.60	37,436.10
0.98	0.98	EXC		300	37.70	84	3,166.80	6	6	19,000.80	38,265.50
0.06	0.21	Yes		300	72.97	84	6,129.48	12	9	55,165.32	24,627.38
0.01	0.04	Yes		300	85.30	84	7,165.20	12	9	64,486.80	5,864.38
1.98	0.00			300							
0.17	0.46	No	X	400	30.53	168	5,129.04	5	3	15,387.12	9,769.60
1.00	0.93	No	X	400	30.53	168	5,129.04	6	6	30,774.24	29,614.10
1.17	1.39			400							
0.80	0.54	Yes		500	29.23	168	4,910.64	4	4	19,642.56	16,281.11
0.80	0.54			500							
0.80	0.29	Yes		600	32.76	168	5,503.68	2	3	16,511.04	14,840.28
1.61	0.63	No	X	600	52.00	168	8,736.00	5	5	43,680.00	34,190.00
2.41	0.49	EXC		600	16.00	84	1,344.00	6	6	8,064.00	8,196.80
4.83	0.29			600							
1.00	0.96	Yes	X	700	30.92	168	5,194.56	9	9	46,751.04	46,596.44
0.99	0.95	Yes		700	30.92	168	5,194.56	9	9	46,751.04	46,256.32
0.99	0.95			700							
0.92	0.87	No	X	800	40.00	168	6,720.00	7	7	47,040.00	42,440.00
0.92	0.00			800							
12.76	4.76									1,209,668.04	1,011,955.96

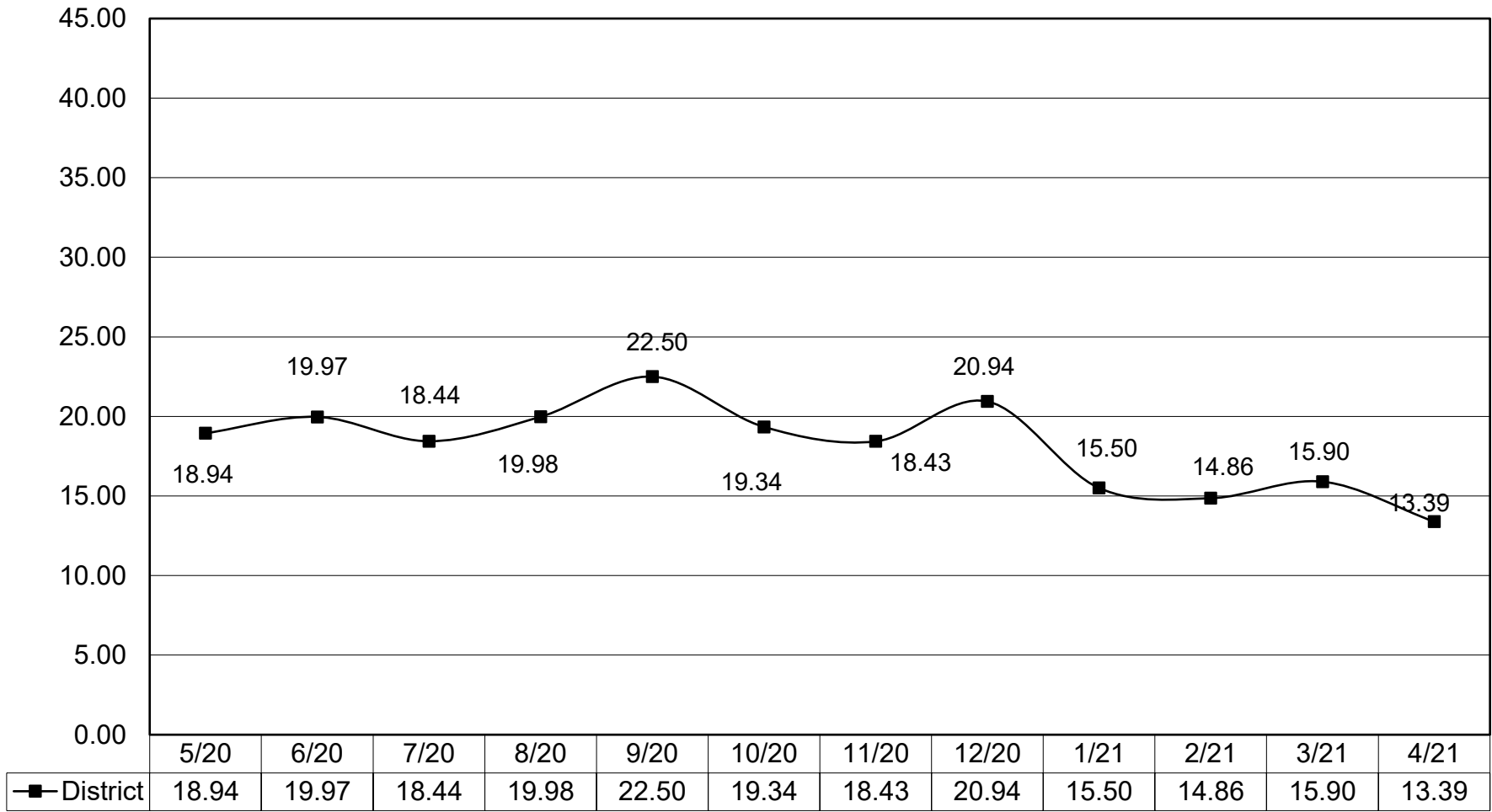
EXC = Exclude from PERS enrollment

Yes= Temporary employee enrolled in PERS Membership


No=Temporary Agency employee

*Data reported 30 days in arrears

Temporary Employees **Full Time Equivalency** **District Totals as of April 30, 2021**



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June 1, 2021
Prepared by: J. Davis
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

MONTHLY INVESTMENT AND DEBT REVIEW

SUMMARY:

The following items are submitted for the Committee's review and consideration:

- The Investment Portfolio Summary Report as of May 21, 2021, as outlined in Exhibit "A";
- The U.S. Treasury Yield Curve as of May 21, 2021, as shown in Exhibit "B";
- The Summary of Fixed and Variable Debt as of May 21, 2021, as outlined in Exhibit "C"; and
- The Summary of Variable Rate Debt Rates as of May 21, 2021, as outlined in Exhibit "D".

BACKGROUND:

Investment Portfolio:

Due to the timing of the Committee meeting, the rate of return for May 2021 is not complete at this time. Preliminary calculations indicate a rate of return for the fixed income investment portfolio of 0.58%, which is a 0.07% decrease from April's rate of 0.65%. The decrease is due to the average balance in the fixed income portfolio at lower interest rates. Including real estate investments, the weighted average rate of return for IRWD's investment portfolio for May 2021 was 2.66%, which was a 0.09% decrease from April's rate of 2.75%.

Debt Portfolio:

As of May 21, 2021, IRWD's weighted average all-in variable rate was 0.37%, which was unchanged from April's rate. Including IRWD's weighted average fixed rate bond issues of 3.70% and the negative cash accruals from fixed payer interest rate swaps, which hedge a portion of the District's variable rate debt, the total average debt rate was 2.93%, a 0.02% increase from April's rate of 2.91%.

FISCAL IMPACTS:

Fiscal impacts are outlined above and included in the exhibits provided.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit “A” – Investment Portfolio Summary as of May 21, 2021

Exhibit “B” – Yield Curve as of May 21, 2021

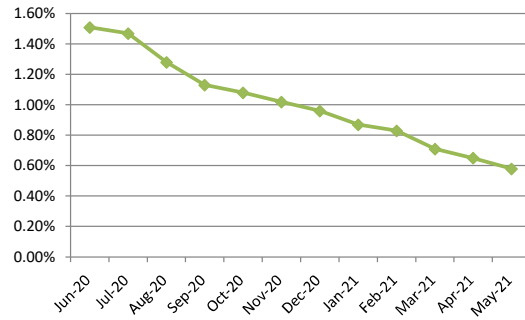
Exhibit “C” – Summary of Fixed and Variable Debt as of May 21, 2021

Exhibit “D” – Summary of Variable Rate Debt Rates as of May 21, 2021

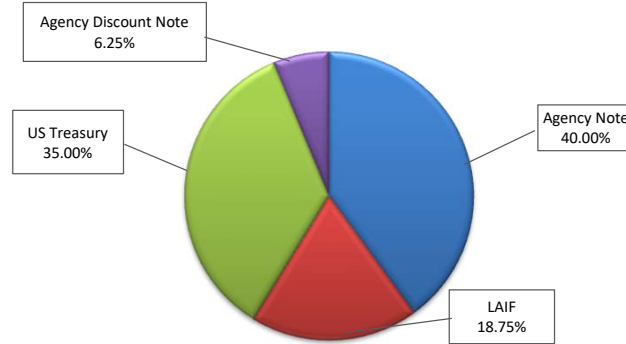
Exhibit "A"

Irvine Ranch Water District Investment Portfolio Summary May 2021

Monthly Fixed Income Yield



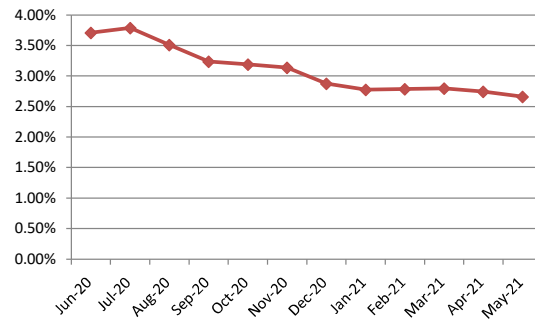
Portfolio Distribution



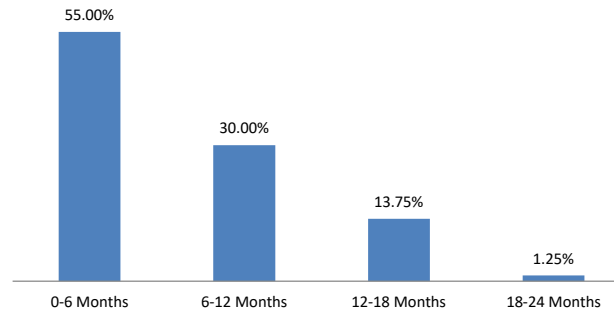
Investment Summary

Type	PAR	Book Value	Market Value
US Treasury	160,000,000	160,516,407	161,067,747
Agency Note	140,000,000	140,440,701	140,986,100
LAIF	75,000,000	75,000,000	75,095,239
Agency Discount Note	25,000,000	24,994,335	24,998,650
Grand Total	400,000,000	400,951,442	402,147,736

Weighted Average Return
Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
US Treasury	160,000,000	40.00%
State of California Tsy.	75,000,000	18.75%
Fed Home Loan Bank	70,000,000	17.50%
Fed Farm Credit Bank	65,000,000	16.25%
Fed Home Loan Mortgage Corp	20,000,000	5.00%
Fed Natl Mortgage Assoc	10,000,000	2.50%
Grand Total	400,000,000	100.00%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

05/21/21

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 5/21/2021	UNREALIZED ⁽²⁾ GAIN/(LOSS)
07/24/20			05/22/21		LAIF	State of California Tsy.	\$75,000,000		0.340%	\$75,000,000.00	\$75,000,000.00	75,095,238.98	95,238.97
11/18/20	NA	NA	05/27/21	NR	FHLB - Discount Note	Fed Home Loan Bank	5,000,000	0.080%	0.081%	4,997,888.89	5,000,000.00	5,000,000.00	
03/02/20	NA	NA	05/31/21	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	2.125%	1.186%	10,115,711.10	10,023,142.22	10,016,000.00	(7,142.22)
06/11/20	NA	NA	06/09/21	NR	FHLB - Discount Note	Fed Home Loan Bank	5,000,000	0.190%	0.193%	4,990,420.85	4,999,788.89	5,000,000.00	211.11
09/18/19	NA	NA	06/11/21	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.250%	1.786%	5,039,300.00	5,000,621.84	5,011,800.00	11,178.16
01/16/20	NA	NA	06/30/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.125%	1.594%	4,966,406.25	4,998,165.31	5,008,600.00	10,434.69
12/31/20	NA	NA	07/01/21	Aaa/NR/AAA	Treasury - Bill	US Treasury	10,000,000	0.090%	0.090%	9,995,450.00	9,999,250.00	9,999,800.00	550.00
01/19/21	NA	NA	07/15/21	Aaa/NR/AAA	Treasury - Bill	US Treasury	5,000,000	0.075%	0.076%	4,998,156.25	4,999,541.67	4,999,900.00	358.33
07/26/19	NA	NA	07/19/21	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.875%	1.927%	4,995,000.00	4,999,668.51	5,018,650.00	18,981.49
08/13/20	NA	NA	08/12/21	NR	FFCB - Discount Note	Fed Farm Credit Bank	10,000,000	0.140%	0.142%	9,985,844.44	9,997,200.00	9,999,400.00	2,200.00
08/13/20	NA	NA	08/13/21	Aaa/NR/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	0.125%	0.133%	9,999,220.00	9,999,844.00	9,999,400.00	(444.00)
08/01/19	NA	NA	08/31/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.125%	1.816%	4,929,687.50	4,991,592.07	5,017,550.00	25,957.93
03/10/21	NA	NA	09/09/21	NR	Treasury - Bill	US Treasury	10,000,000	0.045%	0.046%	9,997,712.50	9,998,475.00	9,999,300.00	825.00
09/17/20	NA	NA	09/17/21	NA	FHLB - Note	Fed Home Loan Bank	5,000,000	0.125%	0.132%	4,999,660.00	4,999,899.40	5,000,850.00	950.60
08/13/20	NA	NA	09/30/21	Aaa/AA+/NR	Treasury - Note	US Treasury	10,000,000	1.125%	0.133%	10,112,109.38	10,032,845.61	10,044,900.00	12,054.39
09/30/20	NA	NA	09/30/21	NA	FHLB - Note	Fed Home Loan Bank	10,000,000	0.125%	0.122%	10,000,336.80	10,000,111.65	10,002,600.00	2,488.35
08/13/20	NA	NA	10/07/21	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	10,000,000	1.375%	0.143%	10,141,500.00	10,043,123.81	10,057,300.00	14,176.19
10/11/19	NA	NA	10/15/21	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	2.875%	1.540%	5,131,640.63	5,024,357.99	5,064,050.00	39,692.01
10/22/19	NA	NA	10/15/21	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.400%	1.642%	4,976,500.00	4,995,585.64	5,030,550.00	34,964.36
10/29/20	NA	NA	10/19/21	Aaa/NR/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	0.125%	0.127%	9,999,800.00	9,999,921.13	10,002,800.00	2,878.87
10/27/20	NA	NA	10/26/21	NR	FFCB - Discount Note	Fed Farm Credit Bank	5,000,000	0.130%	0.132%	4,993,427.78	4,997,345.83	4,999,250.00	1,904.17
11/05/19	NA	NA	11/15/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.875%	1.610%	5,125,585.94	5,028,303.44	5,075,800.00	47,496.56
11/08/19	NA	NA	11/30/21	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	1.750%	1.680%	5,007,031.25	5,001,699.45	5,049,200.00	47,500.55
03/17/21	NA	NA	11/30/21	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	1.875%	0.057%	5,064,120.00	5,048,959.84	5,053,150.00	4,190.16
09/28/20	NA	NA	12/03/21	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.150%	0.120%	5,001,765.00	5,000,757.60	5,002,850.00	2,092.40
10/30/20	NA	NA	12/15/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.625%	0.127%	5,140,429.69	5,067,310.58	5,079,500.00	12,189.42
04/23/20	NA	NA	12/20/21	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	1.625%	0.309%	10,217,480.00	10,086,489.57	10,099,100.00	12,610.43
11/25/19	NA	NA	12/31/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.000%	1.619%	5,039,062.50	5,010,847.87	5,063,850.00	53,002.13
11/25/19	NA	NA	01/13/22	Aaa/NA/NR	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	2.375%	1.635%	5,077,250.00	5,022,382.69	5,080,850.00	58,467.31
08/14/20	NA	NA	01/13/22	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	2.375%	0.147%	5,157,297.23	5,068,760.49	5,080,850.00	12,089.51
03/08/19	NA	NA	01/15/22	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	2.500%	2.460%	5,005,468.75	5,001,194.32	5,085,950.00	84,755.68
12/19/19	NA	NA	01/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	1.641%	5,024,218.75	5,007,634.85	5,067,950.00	60,315.15
03/21/19	NA	NA	02/03/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	2.030%	2.361%	4,954,350.00	4,989,261.38	5,073,100.00	83,838.62
12/19/19	NA	NA	02/15/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.500%	1.652%	5,089,453.13	5,029,364.21	5,096,100.00	66,735.79
11/13/20	NA	NA	02/28/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	0.139%	5,112,304.69	5,064,717.96	5,074,800.00	10,082.04
11/19/20	NA	NA	02/28/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.750%	0.126%	5,103,710.94	5,060,535.14	5,069,900.00	9,364.86
03/08/19	NA	NA	03/11/22	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.500%	2.549%	5,002,750.00	5,000,708.14	5,104,300.00	103,591.86
12/23/20	NA	NA	03/22/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	10,000,000	0.090%	0.090%	10,000,000.00	10,000,000.00	10,001,000.00	1,000.00
12/19/19	NA	NA	03/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	1.645%	5,025,585.94	5,009,306.77	5,082,400.00	73,093.23
04/30/21	NA	NA	03/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.375%	0.056%	5,014,648.44	5,013,249.19	5,014,450.00	1,200.81
02/21/20	NA	NA	04/14/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.400%	1.414%	4,998,500.00	4,999,258.62	5,061,500.00	62,241.38
04/23/20	NA	NA	04/21/22	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	10,000,000	1.580%	0.320%	10,250,200.00	10,114,102.20	10,142,900.00	28,797.80
05/28/20	One Time	05/26/21	05/26/22	Aaa/NR/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.270%	0.270%	5,000,000.00	5,000,000.00	5,000,100.00	100.00
04/22/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.082%	10,005,078.13	10,004,610.10	10,004,700.00	89.90
04/30/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.082%	5,002,539.06	5,002,348.33	5,002,350.00	1.67
05/20/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.750%	0.065%	5,093,750.00	5,090,979.06	5,093,750.00	2,770.94
01/15/20	NA	NA	07/15/22	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.600%	1.594%	5,000,750.00	5,000,336.35	5,089,050.00	88,713.65
05/28/20	One Time	05/26/21	08/26/22	Aaa/NR/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.300%	0.300%	5,000,000.00	5,000,000.00	5,000,350.00	350.00
04/28/21	NA	NA	08/31/22	Aaa/NR/NR	Treasury - Note	US Treasury	5,000,000	0.125%	0.102%	5,001,562.50	5,001,454.08	5,001,350.00	(104.08)
04/28/21	NA	NA	09/09/22	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.000%	0.112%	5,128,632.30	5,119,867.77	5,126,200.00	6,332.23
04/22/21	NA	NA	10/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.110%	10,002,343.75	10,004,909.82	10,000,800.00	(4,109.82)
05/20/21	NA	NA	11/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.103%	5,001,647.15	5,001,611.79	5,001,647.15	35.36

TOTAL INVESTMENTS

\$400,000,000

\$402,013,287.51

\$400,951,442.18

\$402,147,736.13

\$1,196,293.94

⁽¹⁾ LAIF market value is as of the most recent quarter-end as reported by LAIF.		Outstanding Variable Rate Debt		\$249,300,000	
Security market values are determined using Bank of New York ("Trading Prices"), Bloomberg and/or broker dealer pricing.		Net Outstanding Variable Rate Debt (Less \$60 million fixed-payer swaps)		\$189,300,000	
		Investment Balance:		\$415,693,242	
⁽²⁾ Gain (loss) calculated against carry value using the trading value provided by Bank of New York/or Brokers		Investment to Variable Rate Debt Ratio:		220%	
⁽³⁾ Real estate rate of return is based on most recent quarter end return		Portfolio - Average Number of Days To Maturity		179	
This Investment Summary Report is in conformity with the 2021 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures. *S - Step up			Investment Portfolio	Real Estate ⁽³⁾ Portfolio	Weighted Avg. Return
		May	0.58%	11.09%	2.66%
		April	0.65%	11.09%	2.75%
		Change	-0.07%		-0.09%

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

05/21/21

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Municipal Bonds	US Treasury
05/21	\$90,000,000	22.50%	\$75,000,000		5,000,000		10,000,000
06/21	15,000,000	3.75%		5,000,000	5,000,000		5,000,000
07/21	20,000,000	5.00%		5,000,000			15,000,000
08/21	25,000,000	6.25%		10,000,000	10,000,000		5,000,000
09/21	35,000,000	8.75%		15,000,000			20,000,000
10/21	35,000,000	8.75%		25,000,000	5,000,000		5,000,000
11/21	15,000,000	3.75%		-			15,000,000
12/21	25,000,000	6.25%		15,000,000			10,000,000
01/22	20,000,000	5.00%		10,000,000			10,000,000
02/22	20,000,000	5.00%		5,000,000			15,000,000
03/22	25,000,000	6.25%		15,000,000			10,000,000
04/22	15,000,000	3.75%		15,000,000			
SUB-TOTAL	\$340,000,000	85.00%	\$75,000,000	\$120,000,000	25,000,000		\$120,000,000
13 Months - 3 YEARS							
5/01/2022 - 7/31/2022	30,000,000	7.50%		10,000,000			20,000,000
08/01/2022 - 10/31/2022	25,000,000	6.25%		10,000,000			15,000,000
11/01/2022 +	5,000,000	1.25%					5,000,000
	-						
	-						
	-						
	-						
	-						
	-						
TOTALS	\$400,000,000	100.00%	\$75,000,000	\$140,000,000	\$25,000,000		\$160,000,000

% OF PORTFOLIO

18.75%

35.00%

6.25%

40.00%

Irvine Ranch Water District
Summary of Real Estate - Income Producing Investments
3/31/2021

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	MARKET VALUE 6/30/2020	ANNUALIZED RATE OF RETURN QUARTER ENDED 3/31/2021
Sycamore Canyon	Dec-92	Apartments	Fee Simple	\$ 43,550,810	\$ 152,340,625	19.69%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	\$ 6,000,000	\$ 30,432,947	8.51%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	\$ 5,739,845	\$ 11,964,600	11.05%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	\$ 8,630,577	\$ 9,363,600	6.61%
Sand Canyon Professional Center - Medical Office	Jul-12	Medical Office	Fee Simple	\$ 8,648,594	\$ 11,444,400	9.25%
Sand Canyon Professional Center - General Office	Sep-20	Office Building	Fee Simple	\$ 25,985,968	\$ 28,770,000	-0.64%
Total - Income Properties				\$ 98,555,794	\$ 244,316,172	11.09%

IRVINE RANCH WATER DISTRICT INVESTMENT SUMMARY REPORT

INVESTMENT ACTIVITY

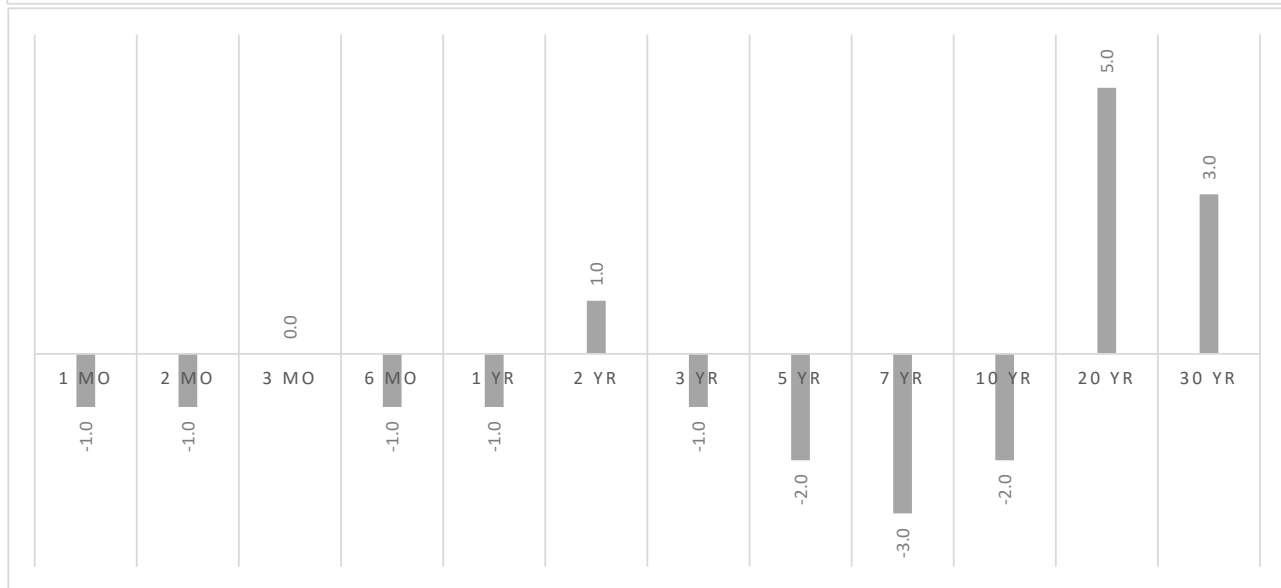
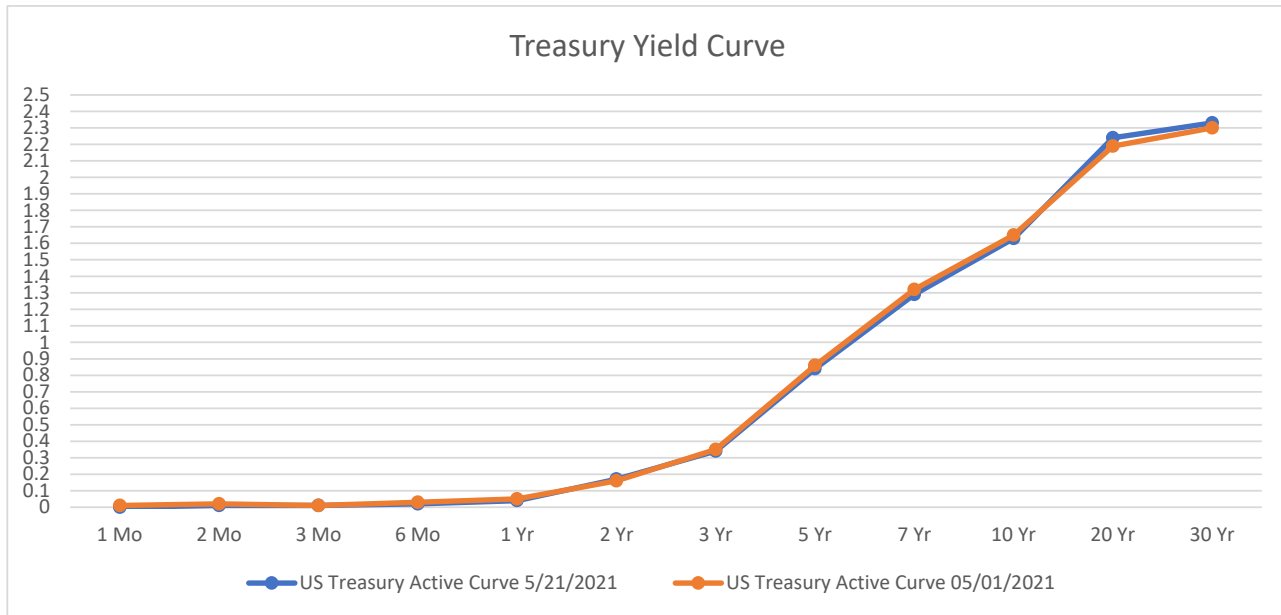
May-21

MATURITIES/SALES/CALLS

PURCHASES

DATE	SECURITY TYPE	PAR	YIELD
5/7/2021	FFCB - Note	\$5,000,000	0.15%
5/15/2021	US Treasury	\$5,000,000	1.76%

Exhibit "B"

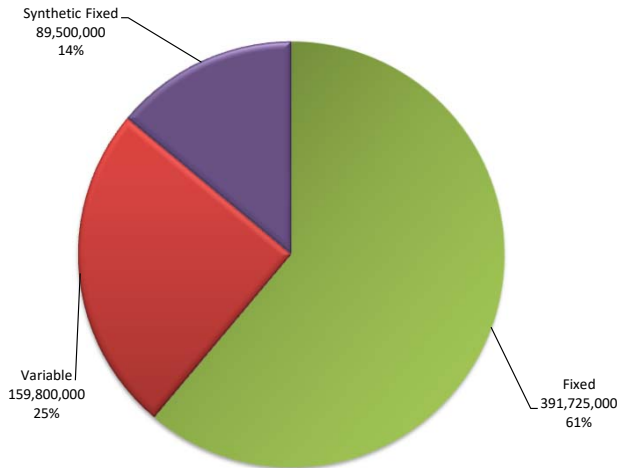


Tenor	US Treasury Active Curve 5/21/2021	US Treasury Active Curve 05/01/2021	Change
1 Mo	0.00	0.01	-1.0
2 Mo	0.01	0.02	-1.0
3 Mo	0.01	0.01	0.0
6 Mo	0.02	0.03	-1.0
1 Yr	0.04	0.05	-1.0
2 Yr	0.17	0.16	1.0
3 Yr	0.34	0.35	-1.0
5 Yr	0.84	0.86	-2.0
7 Yr	1.29	1.32	-3.0
10 Yr	1.63	1.65	-2.0
20 Yr	2.24	2.19	5.0
30 Yr	2.33	2.3	3.0

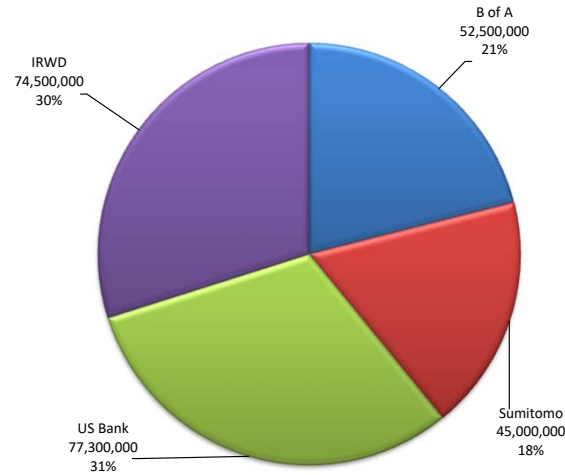
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Exhibit "C"
Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
May 2021

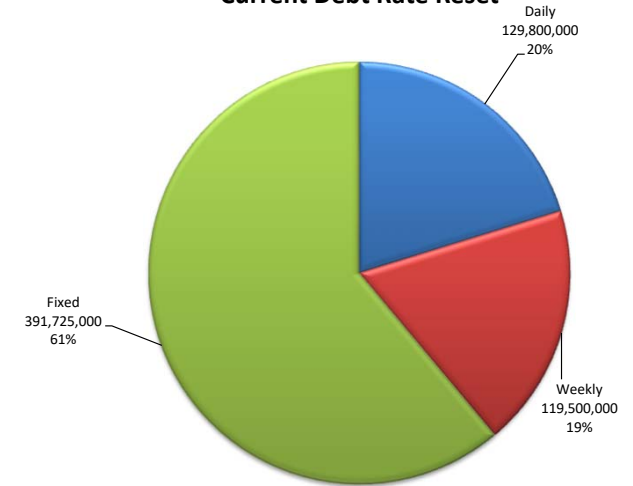
Current Debt Mix By Type



Letters of Credit / Support



Current Debt Rate Reset



Outstanding Par by Series

Series	Issue Date	Maturity Date	Remaining Principal	Percent	Letter of Credit/Support	Rmkt Agent	Mode	Reset
Series 1993	05/19/93	04/01/33	\$24,800,000	3.87%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	\$45,000,000	7.02%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	\$44,700,000	6.97%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	\$29,800,000	4.65%	IRWD	Goldman	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	\$52,500,000	8.19%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	\$52,500,000	8.19%	B of A	Goldman	Variable	Daily
2016 COPS	09/01/16	03/01/46	\$113,325,000	17.68%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	\$175,000,000	27.30%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	\$103,400,000	16.13%	N/A	N/A	Fixed	Fixed
Total			\$641,025,000	100.00%				

IRVINE RANCH WATER DISTRICT
SUMMARY OF FIXED & VARIABLE RATE DEBT

May-21

ITN
Daily
Weekly

GENERAL BOND INFORMATION							LETTER OF CREDIT INFORMATION										TRUSTEE INFORMATION							
VARIABLE RATE ISSUES	Issue Date	Maturity Date	Principal Payment Date	Payment Date	Original Par Amount	Remaining Principal	Letter of Credit	Reimbursement Agreement Date	L/C Exp. Date		MOODY'S	S&P	FITCH	LOC Stated Amount	LOC Fee	Annual LOC Cost	Rmkt Agent	Reset	Rmkt Fees	Annual Cost	Trustee			
SERIES 1993	05/19/93	04/01/33	Apr 1	5th Bus. Day	\$38,300,000	\$24,800,000	US BANK	05/07/15	12/15/21		Aa3/VMIG1	AA-/A-1+	N/R	\$25,134,290	0.3300%	\$82,943	BAML	DAILY	0.10%	\$24,800	BANK OF NY			
SERIES 2008-A Refunding	04/24/08	07/01/35	Jul 1	5th Bus. Day	\$60,215,000	\$45,000,000	SUMITOMO	04/01/11	06/21/21		A1/P-1	A/A-1	A/F1	\$45,665,753	0.3150%	\$143,847	BAML	WED	0.07%	\$31,500	BANK OF NY			
SERIES 2011-A-1 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	\$60,545,000	\$44,700,000	N/A	N/A	N/A		Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	\$55,875	BANK OF NY			
SERIES 2011-A-2 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	\$40,370,000	\$29,800,000	N/A	N/A	N/A		Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	\$37,250	BANK OF NY			
SERIES 2009 - A	06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$52,500,000	US BANK	04/01/11	12/15/21		Aa2/VMIG 1	AA-/A-1+	AA/F1+	\$53,086,849	0.3300%	\$175,187	US Bank	DAILY	0.07%	\$36,750	US BANK			
SERIES 2009 - B	06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$52,500,000	B of A	04/01/11	05/16/22		Aa2/VMIG 1	A/A-1	A1/F1+	\$53,086,849	0.3000%	\$159,261	Goldman	DAILY	0.10%	\$52,500	US BANK			
					\$349,430,000	\$249,300,000	SUB-TOTAL VARIABLE RATE DEBT										\$176,973,742	0.3171%	\$561,237	0.10%\$238,675				
							(Wt. Avg)										(Wt. Avg)							
FIXED RATE ISSUES																								
2010 GO Build America Taxable Bonds	12/16/10	05/01/40	May (2025)	May/Nov	\$175,000,000	\$175,000,000	N/A	N/A	N/A		Aa1	AAA	NR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK			
2016 COPS	09/01/16	03/01/46	Mar 1	Mar/Sept	\$116,745,000	\$113,325,000	N/A	N/A	N/A		NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK			
SERIES 2016	10/12/16	02/01/46	Feb (2022)	Feb/Aug	\$103,400,000	\$103,400,000	N/A	N/A	N/A		NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	BANK OF NY			
					\$395,145,000	\$391,725,000	SUB-TOTAL FIXED RATE DEBT																	
					\$744,575,000	\$641,025,000	TOTAL- FIXED & VARIABLE RATE DEBT																	

Remarketing Agents			GO VS COP's		
Goldman	127,000,000	51%	GO:	527,700,000	82%
BAML	69,800,000	28%	COPS:	113,325,000	18%
US Bank	52,500,000	21%	Total	<u>641,025,000</u>	
	<u>249,300,000</u>				

LOC Banks		Breakdown Between Variable & Fixed Rate Mode	
SUMITOMO	45,000,000	Daily Issues	129,800,000 20%
BANK OF AMERICA	52,500,000	Weekly Issues	45,000,000 7%
US BANK	77,300,000	ITN Issues	74,500,000 12%
	<u>174,800,000</u>	Sub-Total	<u>249,300,000</u>
		Fixed Rate Issues	\$391,725,000 61%
		Sub-Total - Fixed	<u>391,725,000</u>
		TOTAL DEBT	
		FIXED & VAR.	<u>641,025,000</u> 100%

Exhibit "D"
IRVINE RANCH WATER DISTRICT
SUMMARY OF DEBT RATES
May-21

Rmkt Agent	GOLDMAN	GOLDMAN	GOLDMAN	MERRILL LYNCH	US BANK
Mode	DAILY	WEEKLY	WEEKLY	DAILY WEEKLY	DAILY
Bond Issue	2009 - B	2011 A-1	2011 A-2	1993 2008-A	2009-A
Par Amount	52,500,000	44,700,000	29,800,000	24,800,000 45,000,000	52,500,000
Bank	BOFA	(SIFMA + 3)	(SIFMA + 3)	US BANK Sumitomo	US BANK
Reset		Wednesday	Wednesday	Wednesday	
5/1/2021	0.02%	0.09%	0.09%	0.02%	0.03%
5/2/2021	0.02%	0.09%	0.09%	0.02%	0.03%
5/3/2021	0.01%	0.09%	0.09%	0.01%	0.02%
5/4/2021	0.01%	0.09%	0.09%	0.01%	0.01%
5/5/2021	0.01%	0.09%	0.09%	0.01%	0.01%
5/6/2021	0.01%	0.08%	0.08%	0.01%	0.01%
5/7/2021	0.01%	0.08%	0.08%	0.01%	0.01%
5/8/2021	0.01%	0.08%	0.08%	0.01%	0.01%
5/9/2021	0.01%	0.08%	0.08%	0.01%	0.01%
5/10/2021	0.01%	0.08%	0.08%	0.01%	0.01%
5/11/2021	0.01%	0.08%	0.08%	0.01%	0.01%
5/12/2021	0.02%	0.08%	0.08%	0.01%	0.02%
5/13/2021	0.02%	0.10%	0.10%	0.05%	0.04%
5/14/2021	0.02%	0.10%	0.10%	0.05%	0.04%
5/15/2021	0.02%	0.10%	0.10%	0.05%	0.04%
5/16/2021	0.02%	0.10%	0.10%	0.05%	0.04%
5/17/2021	0.02%	0.10%	0.10%	0.03%	0.03%
5/18/2021	0.01%	0.10%	0.10%	0.02%	0.03%
5/19/2021	0.01%	0.10%	0.10%	0.01%	0.03%
5/20/2021	0.01%	0.10%	0.10%	0.01%	0.03%
5/21/2021	0.01%	0.10%	0.10%	0.01%	0.02%
Avg Interest Rates	0.01%	0.09%	0.09%	0.02%	0.02%
Rmkt Fee	0.10%	0.13%	0.13%	0.10%	0.07%
LOC Fee	0.30%			0.33%	0.33%
All-In Rate	0.41%	0.22%	0.22%	0.45%	0.42%
Par Amount	97,200,000		29,800,000	69,800,000	52,500,000

Interest Rate Mode	Percent of Total Variable Rate Debt	Par Outstanding	Weighted All-In Average Rate	Base Rate Average
Daily	52.07%	129,800,000	0.42%	0.02%
Weekly	47.93%	119,500,000	0.31%	0.09%
Fixed	100.00%	\$ 249,300,000	0.37%	0.05%
COPS 2016	28.93%	113,325,000	2.90%	
BABS 2010	44.67%	175,000,000	4.44%	(1)
SERIES 2016	26.40%	103,400,000	3.32%	
	100.00%	\$ 391,725,000	3.70%	
All-In Debt Rate Including \$60 Million Notional Amount of Swaps				2.93%

(1) Rate adjusted up from 4.35% as a result of sequestration reducing BAB's subsidy by 5.7%

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June 1, 2021
Prepared by: T. Malone
Submitted by: C. Clary
Approved by: Paul A. Cook *PCA.*

FINANCE AND PERSONNEL COMMITTEE

INFORMATION SERVICES PROJECT STATUS REPORT

SUMMARY:

Provided for the Committee's review is a list of projects on which Information Services Department staff is currently working.

BACKGROUND:

Information Services periodically submits a project status report for the Committee's review. The current project status report is provided as Exhibit "A".

FISCAL IMPACTS:

The fiscal impacts are shown in Exhibit "A".

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act (CEQA), Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Information Services Project Status Report

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Exhibit “A”

Information Services Project Status Report

June 1, 2021

Project Name	Project Summary	Schedule		Project Budget	Status
Cyber Security Risk Assessment and Response Plan	Conduct a Cyber Security Risk Assessment to identify areas of risk and develop an incident response plan.	Start Complete	3/19 12/21	\$235,500	Risk assessment and development of standards and procedures completed. Staff now working with Tevora to fully implement recommended actions highlighted in the assessment.
Oracle Customer Care & Billing (CC&B) Software Upgrade	Implement a technical upgrade of IRWD’s Oracle CC&B software to the most current version.	Start Complete	3/21 12/21	\$2,000,000	Project kicked-off in March and is proceeding to plan. Formal requirements for the upgrade have been finalized and approved. Staff now working with implementation consultant, Origin Consulting, to build out a development environment. Planned launch date for the new version of CC&B is planned for November 1, 2021.
Oracle Business Intelligence Enterprise Edition (OBIEE) Software Upgrade	Implement a technical upgrade of IRWD’s OBIEE software to the most current version in the cloud.	Start Complete	2/21 6/21	\$300,000	Project kicked-off February 2, with planned implementation in June 2021. Staff is working with the implementation consultant, Centroid Systems, on the conversion of custom reports from the legacy environment.

PC Hardware and Software Upgrades	Replace PCs based on IRWD replacement practices and due to work from home requirements resulting from COVID. Upgrade software as hardware is replaced.	Start Complete	7/20 6/21	\$528,500	Staff is fulfilling hardware and upgraded software to plan.
New VOIP Telephone System	Replace the District's legacy telephone system (3-Com) with a modern, cloud-based telephony system.	Start Complete	08/20 07/21	\$15,000	Work with the new provider, 8x8, is in process. Major activities have included confirmation of requirements for Customer Service IVR, development of interface with Oracle CC&B customer account information, and cutover planning from the legacy phone system. Full District-wide cutover planned for July 2021.
New IT Service Management System (ITSM)	Replace the District's legacy on premise IT service ticket application with a modern cloud-based and compliant ITSM application.	Start Complete	02/21 06/21	\$55,000	ServiceNow was selected as the new ITSM application. Staff is currently working with the consultant system integrator to conduct User Acceptance Testing. Implementation scheduled for June 2021.

June 1, 2021

Prepared by: D. Kanoff / A. Shinbashi

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

RISK MANAGEMENT QUARTERLY REPORT

SUMMARY:

Staff will provide the Committee with a report on the insurance and claim expenses incurred by IRWD through the third quarter of the Fiscal Year (FY) ending June 30, 2021.

BACKGROUND:

A comparison of IRWD's actual versus budget insurance expenses for the third quarter of FY 2020-21 and FY 2019-20 is provided as Exhibit "A" and summarized as follows:

- Insurance premiums total \$1,102,388 and are \$58,314 over budget;
- Third-party claim administration expenses total \$6,378 and are \$16,122 under budget;
- Legal expenses total \$167,746 and are \$92,746 over budget;
- Claim payments total (\$39,851) and are \$137,351 under budget due primarily to a reversal of a prior year accrual for self-insurance retention.

The register of closed general liability claims, including current fiscal year and prior period claim expenses, is provided as Exhibit "B".

FISCAL IMPACTS:

Fiscal impacts are outlined above.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Insurance and Claims Summary

Exhibit "B" – Closed General Liability Claims in FY 2020-21

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Exhibit ""A"

Irvine Ranch Water District Insurance and Claims Summary Period Ending March 31, 2021

PREMIUM	Actual FY 20/21	Budget FY 20/21	Variance	% Variance	Prior FY 19/20
Crime	7,637	7,725	88	1%	7,273
General Liability	722,722	734,335	11,613	2%	560,150
* Pollution	129,936	45,000	(84,936)	-189%	13,690
Property	232,579	247,500	14,921	6%	188,015
Cyber	9,514	9,514			3,911
Total	1,102,388	1,044,074	(58,314)	-6%	773,039

* Pollution policy no longer subsidized by the US Navy

CATEGORY	Open FY 20/21	Closed FY 20/21	Total FY 20/21	Budget FY 20/21	Variance	Prior FY 19/20
Membership		150	150	296	146	
Claim Payments - Property		29,721	29,721	97,500	137,351	22,404
Accrual - Bodily Injury	50,000	-21,572	28,428			66,572
** Claim Payments - BI		2,000	2,000			
Accrual Reversal - Property	-100,000		-100,000			
Claim Admin	4,627	1,751	6,378	22,500	16,122	1,403
Total FY 20/21	(45,373)	12,050	(33,323)	120,296	153,619	90,379

** Includes \$1,250 annual administrative fee

CATEGORY	Open FY 20/21	Closed FY 20/21	Total FY 20/21	Budget FY 20/21	Variance	Prior FY 19/20
*** Legal	139,028	28,718	167,746	75,000	(92,746)	50,401
Total FY 20/21	139,028	28,718	167,746	75,000	(92,746)	50,401

*** Legal fees related to claims

ACTIVITY	FY 2019/20	FY 2020/21
Beginning Open Claims	4	6
New Claims	16	5
Closed Claims	-14	-7
Current Open Claims	6	4

Note: This page is intentionally left blank.

Exhibit "B"

Register of Closed General Liability Claims as of March 31, 2021


Closed Claims Fiscal Year 2020-2021							
CLAIM TYPE	CLAIMANT	Legal	Claim Payments - Property	Accrual - Bodily Injury	Claim Payments - BI	Claim Admin	Grand Total
Single Event	Kristina Quinn	28,718		(21,572)			7,146
	Other					501	501
	Michael Boyd		7,404				7,404
	Mercury Insurance-Myung Yi		8,512				8,512
	James F. Philipp		7,948				7,948
	Jeffrey/Irvine Blvd Main Break		5,857				5,857
	Jade Jeffries Smith				2,000		2,000
Grand Total		28,718	29,721	(21,572)	2,000	501	39,368

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June 1, 2021

Prepared by: J. Davis

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

REAL ESTATE QUARTERLY PERFORMANCE AND LISTING AGREEMENT EXTENSION

SUMMARY:

Staff will provide the Committee with an update on the financial performance of IRWD's real estate investments and other revenue generating properties for the quarter and fiscal year to date ended March 31, 2021. Staff also recommends that the Committee approve extending the current listing agreements with Colliers International for commercial brokerage services for the 230 Commerce and Waterworks Business Park office properties through February 2022.

BACKGROUND:

For the quarter ended March 31, 2021, the net operating income (NOI) for the District's residential and commercial real estate investment properties was \$2.7 million, which represents a 11.09% return for the period and the fiscal year (FY) to date NOI was approximately \$8.2 million. Land lease income from the Strawberry Farms Golf Course was \$182,420 and \$551,357 for the quarter and FY periods, respectively. Lease revenue from the District's six cell sites was \$90,826 and \$213,080 for the quarter and FY, respectively. A report detailing the NOI and returns for the District's real estate investment properties, golf course, and cell sites is provided as Exhibit "A".

Residential Investment Properties:

The NOI for the Sycamore Canyon Apartments for the quarter ended March 31, 2021 was approximately \$2.1 million and \$6.5 million year-to-date, which were favorable to budget by \$132,677 and \$228,337, respectively. The quarter and fiscal year variances were due to lower-than-anticipated expenses related to payroll, maintenance, and apartment turnovers. The District's limited partnership investment in the Wood Canyon Villa property earned a preferred return of 9.00% providing income of \$133,151 for the quarter-end and \$404,627 for the FY to date. The net return for Wood Canyon was 8.51% for the quarter and FY periods.

Commercial Investment Properties:

For the quarter ended March 31, 2021, NOI at the Irvine Market Place (230 Commerce) property was \$158,519 and in line with budget. For the fiscal year, NOI was \$405,974 and unfavorable to budget by \$106,449 due to two suites not leasing as expected during the first half of the fiscal year. This quarter, a new four-year lease was completed for a vacant suite (2,897 square feet) at the property. The new tenant, Techheights, LLC, is scheduled to move in July 1, 2021, following completion of tenant improvements. The company provides IT services. Currently the property has one suite available, which is being marketed by the District's real estate broker.

For the quarter ended March 31, 2021, the NOI for the Sand Canyon Medical Office property was \$199,983 and in line with budget. The FY NOI of \$591,793 was unfavorable to budget by \$8,280 due to common area maintenance adjustments related to 2020 expenses. The property is currently 100% occupied.

The recently completed Sand Canyon Professional Center general office property is being actively marketed by the District's real estate brokerage team of Colliers International and Cushman & Wakefield. The brokers have reported a significant increase in activity with prospective tenants in recent weeks as Covid vaccination rates increase, and new cases decrease. In recent weeks, the brokers have held four tours with potential tenants at the new building. The prospective tenants have expressed interest in leasing between 25% to 100% of the building.

The NOI for the Waterworks Way Business Park property for the quarter ended March 31, 2021, was \$142,597 and \$425,965 for the fiscal year to date, which were favorable to budget by \$3,765 and \$52,123, respectively. The quarter-end and fiscal year variances were due to higher-than-anticipated occupancy and lower expenses related to repairs and maintenance. The property is currently 100% occupied.

Strawberry Farms Golf Course and Cell Site Leases:

Land lease income for Strawberry Farms Golf Course for the quarter ended March 31, 2021, was \$182,420. This compares with income of \$98,382 for the same period last year, representing an 85.4% increase for the period. The FY year-to-date income was \$551,357, representing an increase of 47.0% compared to the same period last year. The increases from prior year periods were due to the 2020 golf course closure related to COVID-19 pandemic orders. For the quarter and fiscal year ended March 31, 2021, the lease revenue from the District's six cell sites were \$90,826 and \$213,080, representing a decrease of \$3,412 and \$11,805 for the same periods last year, respectively. The decreases were due to timing of the lease revenue.

Listing Agreements Extension:

Colliers International (Colliers) is the District's commercial leasing broker for the 230 Commerce and Waterworks Way Business Park office properties. At the 230 Commerce property, one suite is currently available and is being actively marketed by Colliers, and one other lease is scheduled to end later this year. At the Waterworks Business Park, the property is 100% leased with three leases due to expire in late 2021. The Committee previously approved the current listing agreements for 230 Commerce and Waterworks Business Park with Colliers, which expired on February 28, 2021. Staff recommends that the Committee approve extending the agreements, attached as Exhibit "B" and Exhibit "C", to February 28, 2022, and authorize the General Manager to execute the agreements.

FISCAL IMPACTS:

Fiscal impacts for the Real Estate investment properties are discussed above. The proposed listing agreement with Colliers includes a lease commission rate of 6.0% of the gross lease revenue for years one through five of a new lease, and 3.50% for years six through ten. The

commission rate is consistent with the previous agreement. The total commission will be determined based on final lease terms.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act (CEQA), Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

That the Committee approve extending listing agreements for the 230 Commerce and Waterworks Business Park office properties with Colliers International under previously agreed-upon commission terms and expiring February 28, 2022.

LIST OF EXHIBITS:

Exhibit “A” – Real Estate Performance Report

Exhibit “B” – Listing Agreement Extension 230 Commerce

Exhibit “C” – Listing Agreement Extension Waterworks

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Exhibit "A"

Irvine Ranch Water District Real Estate Investment Performance Report as of March 31, 2021

INCOME PROPERTIES			FY 2020-21					FY 2020-21 RATE OF RETURN				3 Year Average Rate of Return	5 Year Average Rate of Return
Property Description	Capital Investment	Investment Inception	Jan-21	Feb-21	Mar-21	FY Q3	FY 2020-21 TOTAL	FY Q1	FY Q2	FY Q3	Average Fiscal YTD	FY 18/19 - 20/21	FY 16/17 - 20/21
Sycamore Canyon Apartments	\$ 43,550,810	Dec-92	\$ 668,628	\$ 733,437	\$ 742,163	\$ 2,144,228	\$ 6,451,615	19.73%	19.83%	19.69%	19.75%	19.35%	19.01%
Wood Canyon Villa Apartments	\$ 6,000,000	Jun-91	\$ 45,863	\$ 41,425	\$ 45,863	\$ 133,151	\$ 404,627	8.52%	8.51%	8.51%	8.51%	8.52%	8.53%
Irvine Market Place Office	\$ 5,739,845	Jul-03	\$ 61,005	\$ 47,086	\$ 50,428	\$ 158,519	\$ 405,974	8.09%	9.15%	11.05%	9.43%	10.30%	8.65%
Waterworks Way Business Park	\$ 8,630,577	Nov-08	\$ 48,045	\$ 49,855	\$ 44,697	\$ 142,597	\$ 425,965	6.40%	6.73%	6.61%	6.58%	6.32%	5.90%
Sand Canyon Professional Center - Medical	\$ 8,648,594	Jul-12	\$ 66,189	\$ 68,380	\$ 65,414	\$ 199,983	\$ 591,793	9.36%	8.76%	9.25%	9.12%	9.03%	8.92%
Sand Canyon Professional Center - General	\$ 25,985,968	Sep-20	\$ (19,130)	\$ (13,038)	\$ (9,516)	\$ (41,684)	\$ (92,909)	0.00%	-0.79%	-0.64%	-0.48%		
TOTAL - INCOME PROPERTIES	\$ 98,555,793		\$ 870,600	\$ 927,145	\$ 939,049	\$ 2,736,794	\$ 8,187,065	11.09%	10.96%	11.09%	11.05%	11.02%	10.72%

**Irvine Ranch Water District
Real Estate Investment Performance Report
Strawberry Farms Golf Course & Cell Site
as of March 31, 2021**

	2020-21 NET INCOME				
Property Description	Jan-21	Feb-21	Mar-21	FY Q3	NET INCOME 2020 - 2021
Strawberry Farms Golf Course	\$ 62,890	\$ 58,679	\$ 60,851	\$ 182,420	\$ 551,357
Change From Prior Year Period ¹ :				\$ 84,039 85.42%	\$ 144,763 46.97%
Cellular Sites	\$ 17,621	\$ 13,364	\$ 59,840	\$ 90,826	\$ 213,080
Change From Prior Year Period:				\$ (3,412) -3.62%	\$ (11,805) -5.25%

1) Increase from prior year 3rd quarter due to golf course closure related to COVID-19 pandemic



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

THIS AMENDMENT is made and entered into as of May 10, 2021, by and between Bardeen Partners, Inc. ("Owner") and Colliers International Greater Los Angeles Inc. ("Broker") (collectively hereinafter the "Parties").

WHEREAS, on or about February 4, 2016 an Exclusive Right to Represent Owner for Sale or Lease of Real Property ("Agreement") was entered into by and between Owner and Broker relating to certain real property commonly known as (street address, city, state, zip): 230 Commerce Drive, Irvine, CA (the "Property"), and

WHEREAS, Owner and Broker ☐ have ☒ have not previously amended said Agreement, and

WHEREAS, the Owner and Broker now desire to amend said Agreement,

NOW, THEREFORE, for payment of ONE DOLLAR and other good and valuable consideration to Owner, the receipt and sufficiency of which is hereby acknowledged, the Parties mutually agree to make the following additions and modifications to the Agreement:

☒ TERM: The expiration date for the Agreement is hereby ☐ advanced ☒ extended to February 28, 2022.

☐ SALE; PRICE AND TERMS: The price and terms for the sale of the Property specified in the Agreement are hereby modified in the following respects: _____.

☐ LEASE; RENT AND TERMS: The rent and terms for the leasing or renting of the Property specified in the Agreement are hereby modified in the following respects: _____.

☐ COMMISSION: The amount of the commission payable to Broker is hereby changed to: _____.

☐ OTHER: _____.

This Amendment shall not be construed against the party preparing it, but shall be construed as if all Parties jointly prepared this Amendment and any uncertainty and ambiguity shall not be interpreted against any one party. Signatures to this Amendment accomplished by means of electronic signature or similar technology shall be legal and binding.

All other terms and conditions of the Agreement shall remain unchanged and shall continue in full force and effect except as specifically amended herein.

EXECUTED as of the day and year first above written.

By Owner:

Bardeen Partners, Inc.

By: _____

Name Printed: _____

Title: _____

By Broker:

Colliers International Greater Los Angeles Inc.

By: _____

Name Printed: Cody Cannon

Title: Regional Director

Broker DRE License #: 01908231

Agent DRE License #: _____

Address: 3 Park Plaza, Suite 1200, Irvine, CA

Phone: 949 724 5500

Fax: _____

Email: _____

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INITIALS

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ATROSL-1.02, Revised 10-22-2020

INITIALS

Last Edited: 5/25/2021 1:57 PM

Page 1 of 1



FOURTH LISTING AMENDMENT

THIS AMENDMENT TO THAT CERTAIN EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY AGREEMENT ("Agreement"), is entered into on March 2, 2020 ("Effective Date"), by and between Bardeen Partners, Inc. ("Owner") and Colliers International Greater Los Angeles ("Colliers"), as Agent for that certain property commonly known as 230 Commerce Drive, Irvine, California; hereby amends the Agreement as follows:

- The Term of Agreement is extended through February 28, 2021.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have reviewed and executed this Agreement and it is effective as of the Effective Date.

OWNER: BARDEEN PARTNERS,
INC.

COLLIERS INTERNATIONAL GREATER
LOS ANGELES, INC.

Cody Cannon (Apr 27, 2020)

Name: Robert Jacobson

Name: Robert G. Caudill Cody Cannon

Title: treasurer

Lic. No.: 01908231

Date: 3-16-2020

Title: Regional Director

Address: 15600 Sand Canyon

Date: Apr 27, 2020

Irvine CA 92618

Address: 3 Park Plaza, Suite 1200

Irvine, CA 92614



THIRD LISTING AMENDMENT

THIS AMENDMENT TO THAT CERTAIN EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY AGREEMENT ("Agreement"), is entered into on February 8, 2019 ("Effective Date"), by and between Bardeen Partners, Inc. ("Owner") and Colliers International Greater Los Angeles ("Colliers"), as Agent for that certain property commonly known as 230 Commerce Drive, Irvine, California; hereby amends the Agreement as follows:

- The Term of Agreement is extended through February 07, 2020.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have reviewed and executed this Agreement and it is effective as of the Effective Date.

OWNER: BARDEEN PARTNERS,
INC.

COLLIERS INTERNATIONAL GREATER
LOS ANGELES, INC.



Name: Robert Jacobson

Title: Treasurer

Date: 1-21-18

Address: 15600 Sand Canyon Ave
Irvine, CA 92619

Name: Robert G. Caudill

Lic. No.: 01908231

Title: Regional Director

Date: _____

Address: 3 Park Plaza, Suite 1200

Irvine, CA 92614



SECOND LISTING AMENDMENT

THIS AMENDMENT TO THAT CERTAIN EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY AGREEMENT ("Agreement"), is entered into on February 8, 2017 ("Effective Date"), by and between Bardeen Partners, Inc. ("Owner") and Colliers International Greater Los Angeles ("Colliers"), as Agent for that certain property commonly known as 230 Commerce Drive, Irvine, California; hereby amends the Agreement as follows:

- The Term of Agreement is extended through February 07, 2019.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have reviewed and executed this Agreement and it is effective as of the Effective Date.

OWNER: BARDEEN PARTNERS, INC.

Name: Robert Jacobson

Title: Treasurer

Date: 5/22/18

Address: 15600 Sand Canyon
IRVINE, CA 92618

COLLIERS INTERNATIONAL GREATER
LOS ANGELES, INC.

Robert Caudill (May 29, 2018)

Name: Robert G. Caudill

Lic. No.: 01908231

Title: Regional Director

Date: May 29, 2018

Address: 3 Park Plaza, Suite 1200

Irvine, CA 92614



Please note that the terms "Seller" and "Buyer" are defined by the CA Civil Code to include a lessor and lessee, respectively.

If you are the Listing Agent – you must deliver the form to the seller/lessor in the Representation Agreement. You must also deliver the form to the buyer/lessee once the Letter of Intent is prepared, or where a legitimate interest/intent to be bound is shown (e.g. no outstanding negotiations).

If you are the Buyer's Agent – you must deliver the form to the buyer/lessee in the Representation Agreement. In addition, you must deliver the form to the seller/lessor once the Letter of Intent is prepared, or where a legitimate interest/intent to be bound is shown (e.g. no outstanding negotiations).

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)

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

SELLER'S AGENT

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

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

To the Buyer and the Seller:

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

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

BUYER'S AGENT

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

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

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

Colliers International Greater Los Angeles Inc.

Agent Printed Name

Michael Hartel

Associate Licensee Signature

(date)

Michael Hartel

Associate Licensee Printed Name

Buyer/Lessee Signature

(date)

Buyer/Lessee Printed Name

Seller/Lessor Signature

Seller/Lessor Printed Name

5/22/18
(date)

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

- (a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained.
- (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensee who performs as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions.
- (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee.
- (d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29.
- (e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction.
- (f) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer.
- (g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation.
- (h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent.
- (i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property.
- (j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller.
- (k) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code.

- (l) "Real property transaction" means a transaction for the sale of real property in which an agent is property that are not known to, or within the diligent attention and observation of, the employee by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase.
- (m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property 95 Ch. 200 — 2 — between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration.
- (n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor.
- (o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller.

- (p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

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

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

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

2079.16. The disclosure form required by Section 2079.14 shall have

Sections 2079.13 to 2079.24, inclusive, excluding this section, printed on the back, and on the front of the disclosure form the following shall appear:

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (As required by the Civil Code)

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

SELLER'S AGENT

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

To the Seller:

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

To the Buyer and the Seller:

(a) Diligent exercise of reasonable skill and care in performance of the agent's duties.

(b) A duty of honest and fair dealing and good faith.

(c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the

parities.

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

BUYER'S AGENT

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

To the Buyer:

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

To the Buyer and the Seller:

(a) Diligent exercise of reasonable skill and care in performance of the agent's duties.

(b) A duty of honest and fair dealing and good faith.

(c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

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

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

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

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on the reverse hereof. Read it carefully.

SAMPLE ONLY- DO NOT COMPLETE

Agent _____ (date) _____	Buyer/Seller (date) _____ (Signature) _____
Associate Licensee _____ (date) _____ (Signature) _____	Buyer/Seller (date) _____ (Signature) _____

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

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

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

SAMPLE ONLY- DO NOT COMPLETE

_____ is the agent of
(Name of Listing Agent)
(check one):
() the seller exclusively; or
() both the buyer and seller.

_____ is the agent of
(Name of Selling Agent if not the same as the Listing Agent)
(check one):
() the buyer exclusively; or
() the seller exclusively; or
() both the buyer and seller.

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

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

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

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

2079.21. A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer.

This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

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

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

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



LISTING AMENDMENT

THIS AMENDMENT TO THAT CERTAIN EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY AGREEMENT ("Agreement"), is entered into on February 8, 2017 ("**Effective Date**"), by and between Bardeen Partners, Inc. ("Owner") and Colliers International Greater Los Angeles ("Colliers"), as Agent for that certain property commonly known as 230 Commerce Drive, Irvine, California; hereby amends the Agreement as follows:

- The Term of Agreement is extended through February 07, 2018.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have reviewed and executed this Agreement and it is effective as of the Effective Date.

OWNER: BARDEEN PARTNERS, INC.

Name: Robert Jacobson

Title: Treasurer

Date: 2-20-17

Address: 15600 Sand Canyon Avenue

Irvine, CA. 92618

COLLIERS INTERNATIONAL GREATER LOS ANGELES, INC.

Name: Robert G. Caudill

Lic. No.: 00813140

Title: Regional Director

Date: 2/28/17

Address: 3 Park Plaza, Suite 1200

Irvine, CA 92614



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 February 4, 2016,

is made by and between Bardeen Partners, Inc.,

whose address is 15600 Sand Canyon Ave, Irvine, CA 92618

telephone number (949) 453-5358, Fax No. (949) 453-0128

("Owner"), and Colliers International

whose address is 3 Park Plaza, Suite 1200, Irvine, CA 92614

telephone number (949) 724-5500, Fax No. (949) 724-5600

("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 230 Commerce Drive

located in the City of Irvine, County of Orange, State of California, and

generally described as (describe briefly the nature of the property): an approximate 40,85' BF two-story multi-tenant office building

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

1.3 Term of Agreement: The term of this Agreement shall commence on February 4, 2016

and expire at 5:00 p.m. on February 3, 2017, 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: as determined by Owner

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").

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, bus ducting, conduits, disconnects, lighting fixtures, etc.), telephone-distribution systems (lines, jacks-and-conduits), space-heaters, air conditioning equipment, air-lines, carpets, window coverings, wall coverings, partitions, doors, suspended ceilings, built-in such as cabinets, and None

(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:

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(a) A duly completed and fully executed Property Information Sheet on the most current form published by the AIA; (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, repairs, 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 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) the Property is sold; (ii) Owner branches 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 and a lease of the Property, or a portion thereof is executed; 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, lease, agreements, physical condition or other aspects thereof, which such change adversely impacts the value, use, desirability or marketability of the Property.

(d) If earnest money or similar deposits made by a prospective purchaser or tenant are forfeited Agent shall be entitled to one-half (50%) thereof, but not to exceed the total amount of the commission that would have been payable had the sale or lease transaction been consummated.

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 negotiate the 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 consummation 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 names 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-agent 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, imperfections 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.


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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 18% 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 the attorney's fees and costs by the losing party. The term, "Prevailing Party" shall include, without limitation, one who substantially obtains or defends 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 9) were not true at the time that this Agreement was signed.

10.5 Owner hereby releases and releases 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 parties covered by insurance carried by Owner, unless whether or not due to the negligence of Agent.

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 INITIALIZING 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 INITIALIZING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

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 None through None (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 agent 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 licensees, 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 a purchase price in an amount less than that indicated in the listing or that the buyer/lessee is willing to pay a higher repurchase price than that offered.

14. The agent of record for the property shall be Michael J. Hartel. The owner reserves the right to cancel the subject listing with one (1) day written notice to the broker if Michael J. Hartel ceases to be employed by broker.

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"

Bardean Porters, Inc.

Colliers International

By:

By:

Name Printed:

Robert S. Sorensen

Name Printed: Robert G. Caudill

Title:

Regional Director

Title: Regional Director

Date:

3-14-2016

Date:

Agent BRE License #: 00813110

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) 587-5777. Fax No.: (213) 687-8816.


INITIALS

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INITIALS

FORM OA-7-3/18E

Proposed Commission Structure - Exhibit "A"

BUILDING LEASING

Colliers International Marketing Team: Michael Hartel & Nick Velasquez

New Lease - Marketing Team represents both sides of the lease:	
Years 1-5	(4%) = Four percent of years 1-5.
Years 6-10	(2%) = Two percent of years 6-10.

New Lease - Tenant is represented by a broker other than the Marketing Team:	
Years 1-5	(4%) = Four percent of years 1-5 to the procuring Broker. (2%) = Two percent of years 1-5 to Colliers International.
Years 6-10	(2%) = Two percent of years 6-10 to the procuring Broker. (1.5%) = One and one-half percent of years 6-10 to Colliers International.

Tenant Renewal - Marketing Team represents both sides of the lease:	
Years 1-5	(2%) = Two percent of years 1-5 to Colliers International.
Years 6-10	(1%) = One percent of years 6-10 to Colliers International.

Tenant Renewal - Tenant is represented by a broker other than the Marketing Team:	
Years 1-5	(3%)* = Three percent of years 1-5 to procuring Broker. (1.5%) = One and one-half percent of years 1-5 to Colliers International.
Years 6-10	(1.5%)* = One and one-half percent of years 6-10 to procuring Broker. (0.75%) = Three-quarters percent of years 6-10 to Colliers International.

*Negotiable on case by case basis. Any or additional fees, bonuses or incentives agreed to by Bardeen Partners to be paid to tenant's broker shall not affect Colliers Marketing Team's fee.

AGREED & ACCEPTED

Owner: Bardeen Partners

By: 

Its: Treasurer

Date: 3-14-16

Agent: Colliers International Greater Los Angeles, Inc.

By: 

Its: General Director

Date: 3-15-16

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

THIS AMENDMENT is made and entered into as of May 10, 2021, by and between Irvine Ranch Water District ("Owner") and Colliers International Greater Los Angeles, Inc ("Broker") (collectively hereinafter the "Parties").

WHEREAS, on or about February 4, 2016 an Exclusive Right to Represent Owner for Sale or Lease of Real Property ("Agreement") was entered into by and between Owner and Broker relating to certain real property commonly known as (street address, city, state, zip): Building 1 & 2 Waterworks Business Park, Irvine, CA (the "Property"), and

WHEREAS, Owner and Broker ☒ have ☐ have not previously amended said Agreement, and

WHEREAS, the Owner and Broker now desire to amend said Agreement,

NOW, THEREFORE, for payment of ONE DOLLAR and other good and valuable consideration to Owner, the receipt and sufficiency of which is hereby acknowledged, the Parties mutually agree to make the following additions and modifications to the Agreement:

☒ TERM: The expiration date for the Agreement is hereby ☐ advanced ☒ extended to February 28, 2022.

☐ SALE; PRICE AND TERMS: The price and terms for the sale of the Property specified in the Agreement are hereby modified in the following respects: _____.

☐ LEASE; RENT AND TERMS: The rent and terms for the leasing or renting of the Property specified in the Agreement are hereby modified in the following respects: _____.

☐ COMMISSION: The amount of the commission payable to Broker is hereby changed to: _____.

☐ OTHER: _____.

This Amendment shall not be construed against the party preparing it, but shall be construed as if all Parties jointly prepared this Amendment and any uncertainty and ambiguity shall not be interpreted against any one party. Signatures to this Amendment accomplished by means of electronic signature or similar technology shall be legal and binding.

All other terms and conditions of the Agreement shall remain unchanged and shall continue in full force and effect except as specifically amended herein.

EXECUTED as of the day and year first above written.

By Owner:

Irvine Ranch Water District

By: _____

Name Printed: _____

Title: _____

By Broker:

Colliers International Greater Los Angeles, Inc

By: _____

Name Printed: _____

Title: _____

Broker DRE License #: _____

Agent DRE License #: _____

Address: _____

Phone: _____

Fax: _____

Email: _____

AIR CRE * <https://www.aircre.com> * 213-687-8777 * contracts@aircre.com
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ATROSL-1.02, Revised 10-22-2020

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Last Edited: 5/10/2021 12:52 PM

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FOURTH LISTING AMENDMENT

THIS AMENDMENT TO THAT CERTAIN EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY AGREEMENT ("Agreement"), is entered into on March 2, 2020 ("Effective Date"), by and between Irvine Ranch Water District ("Owner") and Colliers International Greater Los Angeles ("Colliers"), as Agent for that certain property commonly known as Building 1 & 2 Waterworks Business Park, Irvine, California; hereby amends the Agreement as follows:

- The Term of Agreement is extended through February 28, 2021.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have reviewed and executed this Agreement and it is effective as of the Effective Date.

OWNER: IRVINE RANCH WATER
DISTRICT

COLLIERS INTERNATIONAL GREATER
LOS ANGELES, INC.

Cody Cannon (Apr 27, 2020)

Name:

Robert Jacobson

Name:

Cody Cannon

Title:

Treasurer

Lic. No.:

01908231

Date:

3-16-2020

Title:

Regional Director

Address:

15600 Sand Canyon RD
IRVINE CA. 92614

Date:

Apr 27, 2020

Address:

3 Park Plaza, Suite 1200

Irvine, CA 92614



THIRD LISTING AMENDMENT

THIS AMENDMENT TO THAT CERTAIN EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY AGREEMENT ("Agreement"), is entered into on February 28, 2019 ("Effective Date"), by and between Irvine Ranch Water District ("Owner") and Colliers International Greater Los Angeles ("Colliers"), as Agent for that certain property commonly known as Building 1 & 2 Waterworks Business Park, Irvine, California; hereby amends the Agreement as follows:

- The Term of Agreement is extended through February 28, 2020.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have reviewed and executed this Agreement and it is effective as of the Effective Date.

OWNER: IRVINE RANCH WATER
DISTRICT

COLLIERS INTERNATIONAL GREATER
LOS ANGELES, INC.

Name: Robert Jacobson

Title: Treasurer

Date: 1-21-18

Address: 15600 Sand Canyon
Irvine, CA 92619

Name: Robert G. Caudill

Lic. No.: 01908231

Title: Regional Director

Date: _____

Address: 3 Park Plaza, Suite 1200

Irvine, CA 92614



SECOND LISTING AMENDMENT

THIS AMENDMENT TO THAT CERTAIN EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY AGREEMENT ("Agreement"), is entered into on February 8, 2017 ("Effective Date"), by and between Irvine Ranch Water District ("Owner") and Colliers International Greater Los Angeles ("Colliers"), as Agent for that certain property commonly known as Building 1 & 2 Waterworks Business Park, Irvine, California; hereby amends the Agreement, as follows:

- The Term of Agreement is extended through February 28, 2019.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have reviewed and executed this Agreement and it is effective as of the Effective Date.

OWNER: IRVINE RANCH WATER DISTRICT

Name: Robert Jacobson
Title: Treasurer
Date: 5-3-18
Address: 5600 Sand Canyon
Irvine, CA 92619

COLLIERS INTERNATIONAL GREATER LOS ANGELES, INC.

Robert Caudill (May 16, 2018)

Name: Robert G. Caudill
Lic. No.: 01908231
Title: Regional Director
Date: May 16, 2018
Address: 3 Park Plaza, Suite 1200
Irvine, CA 92614



LISTING AMENDMENT

THIS AMENDMENT TO THAT CERTAIN EXCLUSIVE RIGHT TO REPRESENT OWNER FOR SALE OR LEASE OF REAL PROPERTY AGREEMENT ("Agreement"), is entered into on February 8, 2017 ("Effective Date"), by and between Irvine Ranch Water District ("Owner") and Colliers International Greater Los Angeles ("Colliers"), as Agent for that certain property commonly known as Building 1 & 2 Waterworks Business Park, Irvine, California; hereby amends the Agreement as follows:

- The Term of Agreement is extended through February 07, 2018.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have reviewed and executed this Agreement and it is effective as of the Effective Date.

OWNER: IRVINE RANCH WATER DISTRICT

Name: Robert Jacobson

Title: Treasurer

Date: 2-20-17

Address: 15600 Sand Canyon Ave.

Irvine, CA. 92618

COLLIERS INTERNATIONAL GREATER LOS ANGELES, INC.

Name: Robert G. Caudill

Lic. No.: 00813140

Title: Regional Director

Date: 2/28/17

Address: 3 Park Plaza, Suite 1200

Irvine, CA 92614



Please note that the terms "Seller" and "Buyer" are defined by the CA Civil Code to include a lessor and lessee, respectively.

If you are the Listing Agent – you must deliver the form to the seller/lessor in the Representation Agreement. You must also deliver the form to the buyer/lessee once the Letter of Intent is prepared, or where a legitimate interest/intent to be bound is shown (e.g. no outstanding negotiations).

If you are the Buyer's Agent – you must deliver the form to the buyer/lessee in the Representation Agreement. In addition, you must deliver the form to the seller/lessor once the Letter of Intent is prepared, or where a legitimate interest/intent to be bound is shown (e.g. no outstanding negotiations).

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)

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

SELLER'S AGENT

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

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

To the Buyer and the Seller:

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

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

BUYER'S AGENT

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

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

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

Colliers International Greater Los Angeles Inc.

Agent Printed Name

Associate Licensee Signature

(date)

Michael Hartel

Associate Licensee Printed Name

Buyer/Lessee Signature

(date)

Buyer/Lessee Printed Name

Seller/Lessor Signature

(date)

Seller/Lessor Printed Name

Robert Jacobson

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

- (a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained.
- (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions.
- (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee.
- (d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29.
- (e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction.
- (f) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer.
- (g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation.
- (h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent.
- (i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property.
- (j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller.
- (k) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code.

(l) "Real property transaction" means a transaction for the sale of real property in which an agent is property that are not known to, or within the diligent attention and observation of, the employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase.

(m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property 95 Ch. 200 — 2 — between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration.

(n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor.

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

(p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

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

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

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

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

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

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

2079.16 The disclosure form required by Section 2079.14 shall have Sections 2079.13 to 2079.24, inclusive, excluding this section, printed on the back, and on the front of the disclosure form the following shall appear:

**DISCLOSURE REGARDING
REAL ESTATE AGENCY RELATIONSHIP
(As required by the Civil Code)**

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

SELLER'S AGENT

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

To the Seller:

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

To the Buyer and the Seller:

(a) Diligent exercise of reasonable skill and care in performance of the agent's duties.

(b) A duty of honest and fair dealing and good faith.

(c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the

parties.

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

BUYER'S AGENT

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

To the Buyer:

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

To the Buyer and the Seller:

(a) Diligent exercise of reasonable skill and care in performance of the agent's duties.

(b) A duty of honest and fair dealing and good faith.

(c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

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

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

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

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on the reverse hereof. Read it carefully.

SAMPLE ONLY - DO NOT COMPLETE

Agent _____ (date) _____	Buyer/Seller _____ (date) _____ (Signature)
Associate Licensee _____ (date) _____ (Signature)	Buyer/Seller _____ (date) _____ (Signature)

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

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

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

SAMPLE ONLY - DO NOT COMPLETE

_____ is the agent of

(Name of Listing Agent)

(check one):

☐ the seller exclusively; or

☐ both the buyer and seller.

_____ is the agent of

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

(check one):

☐ the buyer exclusively; or

☐ the seller exclusively; or

☐ both the buyer and seller.

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

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

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

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

2079.21 A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer.

This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

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

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

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



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 February 4, 2016, is made by and between Irvine Ranch Water District, whose address is 15600 Sand Canyon Ave, Irvine, CA 92618, telephone number (949) 453-5358, Fax No. (949) 453-0128 ("Owner"), and Colliers International, whose address is 3 Park Plaza, Suite 1200, Irvine, CA 92614, telephone number (949) 724-5500, Fax No. (949) 724-5600 ("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 Building 1 & 2 Waterworks Business Park, located in the City of Irvine, County of Orange, State of California, and generally described as (describe briefly the nature of the property): an approximate 37,240 SF industrial multi-tenant project. ("Property"). (See also Paragraph 3).

1.3 Term of Agreement: The term of this Agreement shall commence on February 4, 2016 and expire at 5:00 p.m. on February 3, 2017, 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: as determined by Owner

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 leasees/tenants ("leasees"), as the case may be, for the Property. Agent shall use reasonably diligent efforts to find such buyers or leasees. 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 leasees; 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 leasees 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").

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 leasee for the Property, Owner hereby authorizes Agent also to represent and act as the agent for such buyer or leasee, and Owner consents to such dual agency. If a Cooperating Broker finds such a buyer or leasee, then Agent shall act as agent for Owner only, the Cooperating Broker shall act as agent for the buyer or leasee 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 leasees 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, bus 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 None

(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:

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(c) A duly completed and fully executed Property Information Sheet on the most current form published by the AAR; (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, any 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) the Property is sold; (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 and a lease of the Property, or a portion thereof is executed; 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, lease, agreements, physical condition or other aspects thereof, which such change adversely impacts the value, use, desirability or marketability of the Property.

(d) If earnest money or similar deposits made by a prospective purchaser or tenant are forfeited Agent shall be entitled to one-half (1/2) thereof, but not to exceed the total amount of the commission that would have been payable had the sale or lease transaction been consummated.

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 according 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 7.6). 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 names of those persons or entities with whom Agent either directly or through another broker had negotiated during the Term hereof ("Registered Persons", see paragraph 7.6), and specify the type of transaction of the Property for which such negotiations were conducted ("Registered Transactions"). 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.

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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 its 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(u) 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, unless otherwise due to the negligence of Agent.

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 None through None (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 licensees, 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.

14. The agent of record for the property shall be Michael J. Hartel. The owner reserves the right to cancel the subject listing with one (1) day written notice to the broker if Michael J. Hartel ceases to be employed by broker.

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"

Irving Ranch Water District

Colliers International

By:

By:

Name Printed:

Name Printed: Robert G. Caudill

Title:

Title: Regional Director

Date:

Date:

Agent BRE License #: 00613140

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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 200, Glendale, CA 91203. Telephone No. (213) 687-5777. Fax No.: (213) 687-8810.


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FORM OA-7-3/11E

Proposed Commission Structure - Exhibit "A"

BUILDING LEASING

Colliers International Marketing Team: Michael Hartel & Nick Velasquez

New Lease - Marketing Team represents both sides of the lease:	
Years 1-5	(4%) = Four percent of years 1-5.
Years 6-10	(2%) = Two percent of years 6-10.

New Lease - Tenant is represented by a broker other than the Marketing Team:	
Years 1-5	(4%) = Four percent of years 1-5 to the procuring Broker. (2%) = Two percent of years 1-5 to Colliers International.
Years 6-10	(2%) = Two percent of years 6-10 to the procuring Broker. (1.5%) = One and one-half percent of years 6-10 to Colliers International.

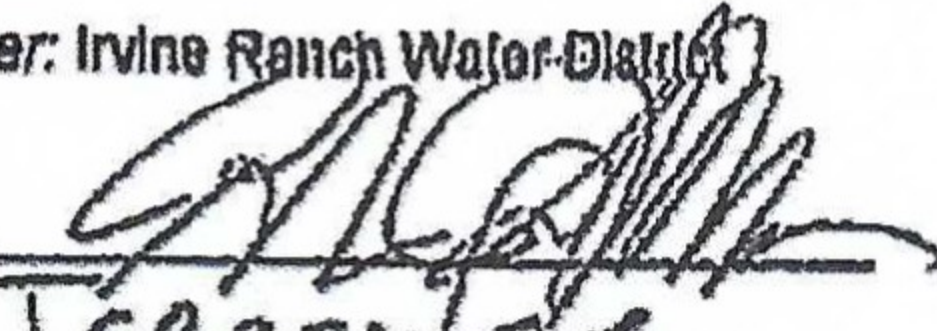
Tenant Renewal - Marketing Team represents both sides of the lease:	
Years 1-5	(2%) = Two percent of years 1-5 to Colliers International.
Years 6-10	(1%) = One percent of years 6-10 to Colliers International.

Tenant Renewal - Tenant is represented by a broker other than the Marketing Team:	
Years 1-5	(3%)* = Three percent of years 1-5 to procuring Broker. (1.5%) = One and one-half percent of years 1-5 to Colliers International.
Years 6-10	(1.5%)* = One and one-half percent of years 6-10 to procuring Broker. (0.75%) = Three-quarters percent of years 6-10 to Colliers International.


*Negotiable on case by case basis. Any or additional fees, bonuses or incentives agreed to by Irvine Ranch Water District to be paid to tenant's broker shall not affect Colliers Marketing Team's fee.

AGREED & ACCEPTED

Owner: Irvine Ranch Water District

By: 
Its: Treasurer
Date: 3-14-16

Agent: Colliers International Greater Los Angeles, Inc.

By: 
Its: Nick Velasquez
Date: 3-15-16