



**REGULAR MEETING OF THE
Board of Directors of the
El Segundo Senior Citizens Housing Corporation
AGENDA
In-Person Meeting**

MEETING DATE: Wednesday, April 26, 2023

MEETING TIME: 3:30 p.m.

LOCATION: Peter and Edna Freeman Community Room
Park Vista Apartments
615 E. Holly Avenue
El Segundo, CA 90245

The Board of the Senior Citizen Housing Corporation, with certain statutory exceptions, can only take action upon properly posted and listed agenda items. Unless otherwise noted in the agenda, the public can only comment on City-related business that is within the subject matter jurisdiction of the Board.

The time limit for comments is five (5) minutes per person. Before speaking to the Board, please state: your name and residence or the organization you represent. Please respect the time limits.

Members of the public may also provide comments electronically by sending an email to the following address before 3:00 P.M. on the day of the meeting: eschonborn@elsegundo.org. **Please include the meeting date and item number in the subject line.** If you would like to request that your emailed comment be read into the record, please include the request at the top of your email, limit your comments to 150 words or less, and email your comments at least 30 minutes prior to the start of the meeting. Depending on the volume of communications, the emails will be read to the Board at the appropriate time.

NOTE: Emails and documents submitted will be considered public documents and are subject to disclosure under the Public Records Act and possibly posted to the City's website.

NOTE: Public Meetings can be recorded and are subject to disclosure under the Public Records Act and possibly posted to the City's website.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act and Government Code Section 54953(g), the City Council has adopted a reasonable accommodation policy to swiftly resolve accommodation requests. The policy can also be found on the City's website at <https://www.elsegundo.org/government/departments/city-clerk>. Please contact the City Clerk's Office at (310) 524-2308 to make an accommodation request or to obtain a copy of the policy.

CALL TO ORDER:

ROLL CALL

A. PUBLIC COMMUNICATION

At this time, members of the public may speak to any subject within the Board's subject matter jurisdiction. Also, any member of the public wishing to address the Board regarding an item listed on this agenda must do so at this time. Before speaking, you are requested, but not required, to state your name and address for the record. If you represent an organization or a third party, please so state.

B. APPROVAL OF MEETING MINUTES

1. Regular Meeting: Wednesday, March 26, 2023

Recommendation: Approve

C. CITY STAFF REPORT

D. NEW BUSINESS

2. President's Report. (Paul Lanyi)

Reports regarding correspondence, meetings, and business related to Park Vista.

Recommendation: Receive and File

3. Financial Statements and LAIF (Local Agency Investment Fund). (Neil Cadman)

a. Discussion and review of status report including, but not limited to, statements, invoices, and finances for March 2023.

b. LAIF investment fund and transfers between accounts.

Recommendation: Receive and File.

4. Ratification of Agreement with Spectrum to Provide Internet and Television Service to Park Vista. (Neil Cadman)

At the March 22, 2023, meeting, the Board approved the proposal by Spectrum to provide internet and digital TV services to Park Vista for a 60-month term. On April 12, 2023, Board President Lanyi signed the agreement in accordance with the terms and conditions approved by the Board. The agreement is attached for Board ratification.

Recommendation: Discuss and ratify the agreement between El Segundo Senior Citizens Housing Corporation and Spectrum Pacific West, LLC, dated April 12, 2023.

5. Review and Consider the Agreement between the Cadman Group and the City for Management of Park Vista.

In accordance with the Board's approved Work Plan, annually in April the Board is to review the Management Agreement with the Cadman Group. The Agreement was initially approved on October 1, 2004 and has since been amended on seven occasions, including five extensions. The current extension will expire on October 31, 2023. Attached for consideration is an eighth amendment to extend the term for additional three years to October 31, 2026.

Recommendation: Discussion and possible action.

6. Budget Allocation for Fourth of July and Anniversary Parties at Park Vista. (Neil Cadman)

At the March 22, 2023 meeting, Neil Cadman expressed desire from Park Vista residents to again have Fourth of July and anniversary parties, which had stopped due to the COVID-19 pandemic. Since pandemic restrictions have been lifted and President Biden officially deemed the pandemic over, Neil Cadman requests a budget allocation to conduct the two events.

Recommendation: Discuss and possible allocation of funds.

E. UNFINISHED BUSINESS

None.

F. MANAGEMENT REPORT

Report from the Cadman Group regarding Park Vista operations and management. Unless otherwise listed on the agenda, the Board may not discuss or take action on matters raised in the management report but may vote to place an item on a future agenda for discussion and possible action.

G. BOARD MEMBERS REPORT

A general report from individual Board members.

ADJOURNMENT

NEXT REGULAR MEETINGS:

Wednesday, May 24, 2023

Wednesday, June 28, 2023

Wednesday, July 26, 2023

MINUTES OF THE MEETING
El Segundo Senior Citizen Housing Board Corporation
Wednesday,
March 22, 2023
Park Vista Senior Housing
350 Main St., El Segundo, CA 90245

CALL TO ORDER:

The meeting was called to order at 3:30 p.m. by Board President Paul Lanyi.

ROLL CALL

Members Present: Paula Rotolo
Tim Whelan
Denise Fessenbecker
Paul Lanyi

Absent: Julia Newman

Others: Neil Cadman
Michael Allen
Venus Wesson
Ryan Baldino

A. PUBLIC COMMUNICATION

- Resident shared her concern about the rent increase potentially causing hardship.

B. APPROVAL OF MEETING MINUTES

Paula Rotolo motioned and seconded by Paul Lanyi to approve the February 22, 2023, Meeting Minutes. Motion to approve passed 5-0.

C. CITY STAFF REPORT

Community Development Director Michael Allen stated that there was not anything to report for this month's meeting.

D. NEW BUSINESS

2. President's Report. (Paul Lanyi)

- Paul informed the board that Finance Director Joseph Lillio will be leaving the city in May. He stated that a budget meeting will be held in April to discuss the upcoming 2024-2025 budget along with the 504 funds request for Park Vista annually.

Receive and file: Motion carried 5-0

3. Financial Statements and LAIF (Local Agency Investment Fund). (Neil Cadman)

- Paul inquired whether Park Vista gets a percentage back from what is spent at Home Depot. Neil stated that we get a percentage, but we do not use a credit card for Home Depot.
- Paul asked if there were any expenses out of the ordinary. Neil responded that the gas bill has tripled.

Receive and file: Motion carried 5-0

4. Internet and Television Service to Park Vista by Spectrum (Neil Cadman)

- Christopher Atalia representative with Spectrum provided an overview of the service proposal. Currently Park Vista residents are paying between \$75 - \$104 for internet and cable. Spectrum has worked with Cadman Group and is offering a rate for cable and internet of \$46 per unit before tax, plus an additional \$5 for internet, which Cadman Group will cover the cost. Spectrum would provide the equipment for every unit, including a high-speed modem of 520-megabits, a router, and a television set top box. Mr. Atalia stated that this is a special offer that works out over a five-year term with an automatic renewal with no changes to the conditions upon renewal. Mr. Atalia explained how the rates will increase over time, until it caps at \$50 per year, noting that the increases would apply to the tv portion and no increase to the internet rate.
- Spectrum is giving a one-time donation to Park Vista of \$19,400.
- Neil wished that managed Wi-Fi was included in the contract. Currently, he is on managed Wi-Fi, and he explained how security is maintained and that passwords are not given to the community to ensure security.
- Paul inquired if we could control the common area Wi-Fi. Christopher stated that it would be no cost for the common area and yes you will have control to change passwords at any time.
- One of the residents inquired how many residents currently have internet service at Park Vista. Christopher responded that 60 out of the 97 residents have internet service.
- Residents would still have the 214 channels as part of the standard channel options, but Spectrum is no longer in partnership with Showtime. Thus, there would be an additional charge.
- Paul asked if Cadman agrees to the agreement today how long would it take to go into effect. Christopher stated if we obtain signatures today it would take at least 45 days to recode the system to reflect modifications to TV and internet fees.
- Paul recapped the overall proposal presented to Park Vista resident today. That 59 units will be receiving internet for free with high-speed 520 megabits plan at 5 year locked in plan with the potentially 5% increase at 3-5 years. Along with a \$19,400 donation to the entity for services.

Receive and file: Motion carried 5-0

5. Review and Consider Status of Existing Contracts between Park Vista and Various Vendors. (Denise Fessenbecker).

- Denise stated that she didn't locate any ending dates on the contracts. Neil responded that you most likely would not find end dates.
- Neil informed the board that the WASH contract was replaced with All Valley on April 4, 2023, with a 5-year contract.

Receive and file: Motion carried 5-0

6. 2022 Financial Audit Scope of Services (Neil Cadman)

- Neil stated that the audit scope proposed by Hoffman, Short, Rubin, DeWinter, Sanderson Accountancy Corporation is the same as last year, including the \$5,500 fee. It was the same for the tax return of \$375.
- Neil stated that the Board president would need to sign and date the Audit Scope and Objectives document during this meeting.

Receive and file: Motion carried 5-0

E. UNFINISHED BUSINESS

None.

F. MANAGEMENT REPORT (Neil Cadman)

- Tenant Management meeting March 20th was attended by only 7-9 residents.
- Tenants requested extending the laundry hours to 10:00 pm, but the hours would remain open until 9:00 pm.
- Provided detailed discussion on the upcoming piping project with tenants.
- One tenant asked for Park Vista's tax ID number since it is a nonprofit facility, and they can search for donations.
- Tenant inquired about parking stripes being identifiable and broken parking bumper be replaced.
- Tenant inquired about the sprinkler lines being added to piping plans project to Public Work. Neil stated he is going to reach out to Public Works.
- Anniversary Parties and is requesting a catered Fourth of July party for Park Vista. Neil asked that an item be placed on the next agenda for the Board to authorize funding.
- Rent increase June 1st and Parking increase May 1st
- Outdoor furniture will be ready and cleaned once the weather changes.
- Table at the front door to received packages will not be provided.

G. BOARD MEMBER REPORT

- Denise asked if board members attend the tenant management meeting. Neil stated that such meetings are a way for the tenants to connect and express their frustration openly without being impeded by the Brown Act. Neil would prefer that the board member not attend the meetings.
- Paula announced that the Los Angeles Food Bank at St. Margaret Center on Inglewood Boulevard, is open the third Tuesday of every month between 9:00 am – 11:00 am, and you will need your own transportation.
- Paul asked to change the meetings to a later start time. He asked staff and Cadman Group to survey the tenants on the start time on the meeting.
- Paula objected to modifying the meeting start time.
- Julia inquired if a survey has ever been done on start time.
- Neil stated that historically meetings started at 7:00 pm, but due to covid and the with new start time 3:30 pm in place has changed attendance. Meetings in the past triggered a lot of complaints, for example, 1) it was very argumentative; 2) residents complained they had no representation, and it would frustrate the tenants when things were done, or changes were not made. He stated that some would be vocal about their frustrations and coerce others not to attend the meeting.

ADJOURMENT: 4:36 pm

NEXT MEETING: Wednesday, April 26, 2023



PARK VISTA

Financial Reporting Analysis

March 2023

Gross Income: \$79,411.60

No out of the ordinary issues with regards to income for the month

Gross Expenses: \$61,927.70

Expenses for the month were normal except for the following:

- *No Water bills in March.*
- *Maintenance of \$30,994.62 comprised of normal maintenance and extension vacancy preparation to two units.*

Net Income: \$17,483.90

Total Account Balances: \$1,754,456.75

Upcoming major expenses: Pipe replacement project run by Public Works.

NOTE: THIS DOCUMENT IS A SUMMARY AND ANALYSIS ONLY OF THE MONTHLY FINANCIAL STATEMENTS FOR PARK VISTA. THEY ARE NOT PART OF THE ACTUAL FINANCIAL STATEMENTS FOR PARK VISTA.

**Total number of vacancies for the month: 100% occupied on 1/1/2023
100% occupied on 1/31/2023**

Move-outs: 1

Move-ins: 2

Notices to Vacate: 0

Budget Comparison Notes:

Operations: Operations for the month was a net \$443.61 over budget for March, and \$26,249.70 over budget YTD.

Income

- **Income for the month of March \$6,540.03 over budget for March and \$16,709.82 over budget YTD.**

Expenses:

- **Overall \$443.61 under budget for March, and \$9,539.88 under budget YTD.**
- **Maintenance \$13,494.62 over budget for March, and \$4,143.84 under budget YTD.**
- **Electricity \$2,039.40 under budget for March, and \$3,070.97 under budget YTD. Due to not receiving Edison's bills in time for March payment.**
- **Gas \$267.75 over budget for March, and \$2,764.93 over budget YTD due to much higher gas bill rates that was not anticipated, but should corrected itself.**
- **Cable Television under budget.**
- **Water \$6,909.81 under budget YTD.**

NOTE: THIS DOCUMENT IS A SUMMARY AND ANALYSIS ONLY OF THE MONTHLY FINANCIAL STATEMENTS FOR PARK VISTA. THEY ARE NOT PART OF THE ACTUAL FINANCIAL STATEMENTS FOR PARK VISTA.

Income Statement

Cadman Group

Properties: Park Vista - 615 E. Holly Avenue El Segundo, CA 90245

Owned By: El Segundo Senior Citizens Housing Corporation

As of: Mar 2023

Accounting Basis: Cash

Level of Detail: Detail View

Include Zero Balance GL Accounts: No

Account Name	Selected Month	% of Selected Month	Year to Month End	% of Year to Month End
Operating Income & Expense				
Income				
RENT				
Rent Income	71,243.30	95.46	213,631.30	96.67
Parking Income	1,626.00	2.18	4,724.00	2.14
Total RENT	72,869.30	97.64	218,355.30	98.81
Prepayment	1,366.90	1.83	1,478.90	0.67
NSF Bank Fees Collected	0.00	0.00	25.00	0.01
Application Fee Income	0.00	0.00	-40.00	-0.02
Laundry Income	395.50	0.53	1,165.63	0.53
Total Operating Income	74,631.70	100.00	220,984.83	100.00
Expense				
Fire Service	0.00	0.00	255.00	0.12
Maintenance	30,994.62	41.53	56,643.84	25.63
Elevator service	1,545.84	2.07	1,545.84	0.70
Gardening	1,213.59	1.63	3,634.77	1.64
Management Fees	16,000.00	21.44	48,000.00	21.72
Pest Control	252.80	0.34	950.60	0.43
Licenses and Permits	100.00	0.13	100.00	0.05
Electricity	210.60	0.28	3,679.03	1.66
Gas	2,517.75	3.37	9,514.93	4.31
Water	0.00	0.00	6,840.21	3.10
Telephone/Internet	2,925.28	3.92	8,574.73	3.88
Cable/Television	5,836.82	7.82	17,510.09	7.92
Office Supplies	318.40	0.43	692.92	0.31
Bank Service Fees	12.00	0.02	12.00	0.01
Total Operating Expense	61,927.70	82.98	157,953.96	71.48
NOI - Net Operating Income	12,704.00	17.02	63,030.87	28.52
Other Income & Expense				
Other Income				
Interest on Bank Accounts	4,779.90	6.40	13,545.30	6.13
Total Other Income	4,779.90	6.40	13,545.30	6.13
Net Other Income	4,779.90	6.40	13,545.30	6.13

Income Statement

Account Name	Selected Month	% of Selected Month	Year to Month End	% of Year to Month End
Total Income	79,411.60	106.40	234,530.13	106.13
Total Expense	61,927.70	82.98	157,953.96	71.48
Net Income	<u>17,483.90</u>	<u>23.43</u>	<u>76,576.17</u>	<u>34.65</u>

Balance Sheet

Properties: Park Vista - 615 E. Holly Avenue El Segundo, CA 90245

As of: 03/31/2023

Accounting Basis: Cash

Include Zero Balance GL Accounts: No

Account Name	Balance
ASSETS	
Cash	
Cash in Bank	568,421.76
Park Vista Reserve Account - LAIF	1,186,034.99
Total Cash	1,754,456.75
Tenant Account Receivable	100.00
Building Improvements	1,031,873.00
Equipment	149,355.00
Furnishings	153,863.00
Personal Property	-0.05
Accumulated Depreciation	-850,766.00
TOTAL ASSETS	2,238,881.70
LIABILITIES & CAPITAL	
Liabilities	
Security Deposit Interest	-530.00
Pet Deposit	3,925.00
Key Deposit	1,640.00
Security Deposit	62,146.00
Passthrough Cash Account	-1,016.00
Accounts Payable	30,698.00
Total Liabilities	96,863.00
Capital	
Owner Contribution	35,996.00
Owner Distribution	-35,996.00
Retained Earnings	118,794.95
Prior Years Retained Earnings	12,696.00
Calculated Retained Earnings	76,576.17
Calculated Prior Years Retained Earnings	1,933,951.58
Total Capital	2,142,018.70
TOTAL LIABILITIES & CAPITAL	2,238,881.70

Bill Detail**Properties:** Park Vista - 615 E. Holly Avenue El Segundo, CA 90245**Payees:** All**Payment Type:** All**Created By:** All**GL Accounts:** All**Bill Status:** All**Date Type:** Bill Date**Date Range:** 03/01/2023 to 03/31/2023**Automated AP:** All**Show Reversed Transactions:** No**Project:** All

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
2120 - Passthrough Cash Account											
	03/30/2023	03/30/2023	2120 - Passthrough Cash Account	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	310	Wilson, Marilyn K.	1,210.00	0.00	6604	03/31/2023	Marilyn K. Wilson, Park Vista - 310: Move Out Refund
6210 - Maintenance											
1274932	03/01/2023	03/01/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Lambert Heating & Air Conditioning	140.00	0.00	730E-EA96	03/14/2023	Inspect and service wall furnace for gas smell, left working properly and nothing out of place.
230093	03/01/2023	03/01/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		The Stanley Louis Company	1,459.50	0.00	730B-8D92	03/14/2023	Balance due for 2nd roof boiler that required work to have hot water working to half of building again.
39852	03/07/2023	03/07/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	319	Total Maintenance Group, Inc.	165.00	0.00	730F-B688	03/14/2023	Vacancy prep; full studio unit cleaning after construction. #319.
39853	03/07/2023	03/07/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	413	Total Maintenance Group, Inc.	190.00	0.00	730F-B688	03/14/2023	Vacancy prep; full unit cleaning, 1b/1b, after construction, #413.

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
196403	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	307	Garcia, Gerardo	180.00	0.00	3000000328	03/14/2023	Afterhours kitchen sink clog, snaked to clear.
196402	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	508	Garcia, Gerardo	90.00	0.00	3000000328	03/14/2023	Service wall furnace not working with thermostat, adjust wiring, reset.
196401	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	406	Garcia, Gerardo	280.00	0.00	3000000328	03/14/2023	Emergency weekend service for clogged kitchen sinks/ overflow; snaked drains for units #406, #306, #206 through to the main line in order to clear and clean.
930296	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Garcia, Gerardo	160.00	0.00	3000000328	03/14/2023	Common area toilets clogged in men's/ women's bathroom, snaked to clear, left clean.
196417	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	112	Garcia, Gerardo	90.00	0.00	3000000331	03/27/2023	Urgent evening tenant call to unclog her toilet.
196413	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Garcia, Gerardo	180.00	0.00	3000000331	03/27/2023	After hours call of water intrusion into unit during storm; moved furniture in unit to inspect leaks and troubleshoot where they're coming from in order to repair.

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
196438	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	406	Garcia, Gerardo	235.00	0.00	3000000331	03/27/2023	Urgent weekend call for leaking under sink; replaced garbage disposal.
39720	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	413	Total Maintenance Group, Inc.	7,645.00	0.00	4EA0-E0A0	03/28/2023	Vacancy prep #413; ADA 1b/1b full paint throughout unit, sand and revarnish cabinets in kitchen and bathroom, replace hardware fixtures in bathroom, removed all cabinet contact paper in kitchen cabinets, repaired sliding glass doors to patio tracks, CO2/
39721	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	319	Total Maintenance Group, Inc.	7,418.00	0.00	4EA0-E0A0	03/28/2023	Vacancy prep #319; studio full paint throughout unit, sand and revarnish cabinets in kitchen and bathroom, replace hardware fixtures in bathroom, removed all cabinet contact paper in kitchen cabinets, replaced vertical blinds throughout, CO2/smoke

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
39880	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	105	Total Maintenance Group, Inc.	315.00	0.00	7162-A8FA	03/27/2023	Install new ceiling fan/exhaust/light fixture in bathroom.
39881	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	306	Total Maintenance Group, Inc.	315.00	0.00	7162-A8FA	03/27/2023	Install new ceiling fan/exhaust/light fixture in bathroom.
39882	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	214	Total Maintenance Group, Inc.	190.00	0.00	7162-A8FA	03/27/2023	Supply and install new closet door tracks in order to work properly again.
S131591-CL2	03/10/2023	03/10/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		The Chute Doctor	878.00	0.00	3000000333	03/28/2023	1st Quarter 2023; trash chute cleaning of all trash chutes and trash chute doors inside and out on every floor.
9211337230	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	59.04	0.00	6590	03/15/2023	Vertical blinds for Unit #319
9211337229	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	289.78	0.00	6590	03/15/2023	Vertical blinds for Unit #413
9211297016	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	180.66	0.00	6590	03/15/2023	New Ceiling fan for Unit #319 - Vacancy Prep
9211500676	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	180.66	0.00	6590	03/15/2023	New Ceiling fan for Unit #214
9211500678	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El		HD Supply	191.20	0.00	6590	03/15/2023	Vacancy prep supplies for Unit #319 &

Income Statement

Cadman Group

Properties: Park Vista - 615 E. Holly Avenue El Segundo, CA 90245

Owned By: El Segundo Senior Citizens Housing Corporation

As of: Mar 2023

Accounting Basis: Cash

Level of Detail: Detail View

Include Zero Balance GL Accounts: No

Account Name	Selected Month	% of Selected Month	Year to Month End	% of Year to Month End
Operating Income & Expense				
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RENT				
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Total RENT	72,869.30	97.64	218,355.30	98.81
Prepayment	1,366.90	1.83	1,478.90	0.67
NSF Bank Fees Collected	0.00	0.00	25.00	0.01
Application Fee Income	0.00	0.00	-40.00	-0.02
Laundry Income	395.50	0.53	1,165.63	0.53
Total Operating Income	74,631.70	100.00	220,984.83	100.00
Expense				
Fire Service	0.00	0.00	255.00	0.12
Maintenance	30,994.62	41.53	56,643.84	25.63
Elevator service	1,545.84	2.07	1,545.84	0.70
Gardening	1,213.59	1.63	3,634.77	1.64
Management Fees	16,000.00	21.44	48,000.00	21.72
Pest Control	252.80	0.34	950.60	0.43
Licenses and Permits	100.00	0.13	100.00	0.05
Electricity	210.60	0.28	3,679.03	1.66
Gas	2,517.75	3.37	9,514.93	4.31
Water	0.00	0.00	6,840.21	3.10
Telephone/Internet	2,925.28	3.92	8,574.73	3.88
Cable/Television	5,836.82	7.82	17,510.09	7.92
Office Supplies	318.40	0.43	692.92	0.31
Bank Service Fees	12.00	0.02	12.00	0.01
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Other Income				
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Income Statement

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Balance Sheet

Properties: Park Vista - 615 E. Holly Avenue El Segundo, CA 90245

As of: 03/31/2023

Accounting Basis: Cash

Include Zero Balance GL Accounts: No

Account Name	Balance
ASSETS	
Cash	
Cash in Bank	568,421.76
Park Vista Reserve Account - LAIF	1,186,034.99
Total Cash	1,754,456.75
Tenant Account Receivable	100.00
Building Improvements	1,031,873.00
Equipment	149,355.00
Furnishings	153,863.00
Personal Property	-0.05
Accumulated Depreciation	-850,766.00
TOTAL ASSETS	2,238,881.70
LIABILITIES & CAPITAL	
Liabilities	
Security Deposit Interest	-530.00
Pet Deposit	3,925.00
Key Deposit	1,640.00
Security Deposit	62,146.00
Passthrough Cash Account	-1,016.00
Accounts Payable	30,698.00
Total Liabilities	96,863.00
Capital	
Owner Contribution	35,996.00
Owner Distribution	-35,996.00
Retained Earnings	118,794.95
Prior Years Retained Earnings	12,696.00
Calculated Retained Earnings	76,576.17
Calculated Prior Years Retained Earnings	1,933,951.58
Total Capital	2,142,018.70
TOTAL LIABILITIES & CAPITAL	2,238,881.70

Bill Detail

Properties: Park Vista - 615 E. Holly Avenue El Segundo, CA 90245

Payees: All

Payment Type: All

Created By: All

GL Accounts: All

Bill Status: All

Date Type: Bill Date

Date Range: 03/01/2023 to 03/31/2023

Automated AP: All

Show Reversed Transactions: No

Project: All

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
2120 - Passthrough Cash Account											
	03/30/2023	03/30/2023	2120 - Passthrough Cash Account	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	310	Wilson, Marilyn K.	1,210.00	0.00	6604	03/31/2023	Marilyn K. Wilson, Park Vista - 310: Move Out Refund
6210 - Maintenance											
1274932	03/01/2023	03/01/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Lambert Heating & Air Conditioning	140.00	0.00	730E-EA96	03/14/2023	Inspect and service wall furnace for gas smell, left working properly and nothing out of place.
230093	03/01/2023	03/01/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		The Stanley Louis Company	1,459.50	0.00	730B-8D92	03/14/2023	Balance due for 2nd roof boiler that required work to have hot water working to half of building again.
39852	03/07/2023	03/07/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	319	Total Maintenance Group, Inc.	165.00	0.00	730F-B688	03/14/2023	Vacancy prep; full studio unit cleaning after construction. #319.
39853	03/07/2023	03/07/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	413	Total Maintenance Group, Inc.	190.00	0.00	730F-B688	03/14/2023	Vacancy prep; full unit cleaning, 1b/1b, after construction, #413.

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
196403	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	307	Garcia, Gerardo	180.00	0.00	3000000328	03/14/2023	Afterhours kitchen sink clog, snaked to clear.
196402	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	508	Garcia, Gerardo	90.00	0.00	3000000328	03/14/2023	Service wall furnace not working with thermostat, adjust wiring, reset.
196401	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	406	Garcia, Gerardo	280.00	0.00	3000000328	03/14/2023	Emergency weekend service for clogged kitchen sinks/ overflow; snaked drains for units #406, #306, #206 through to the main line in order to clear and clean.
930296	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Garcia, Gerardo	160.00	0.00	3000000328	03/14/2023	Common area toilets clogged in men's/ women's bathroom, snaked to clear, left clean.
196417	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	112	Garcia, Gerardo	90.00	0.00	3000000331	03/27/2023	Urgent evening tenant call to unclog her toilet.
196413	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Garcia, Gerardo	180.00	0.00	3000000331	03/27/2023	After hours call of water intrusion into unit during storm; moved furniture in unit to inspect leaks and troubleshoot where they're coming from in order to repair.

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
196438	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	406	Garcia, Gerardo	235.00	0.00	3000000331	03/27/2023	Urgent weekend call for leaking under sink; replaced garbage disposal.
39720	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	413	Total Maintenance Group, Inc.	7,645.00	0.00	4EA0-E0A0	03/28/2023	Vacancy prep #413; ADA 1b/1b full paint throughout unit, sand and revarnish cabinets in kitchen and bathroom, replace hardware fixtures in bathroom, removed all cabinet contact paper in kitchen cabinets, repaired sliding glass doors to patio tracks, CO2/
39721	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	319	Total Maintenance Group, Inc.	7,418.00	0.00	4EA0-E0A0	03/28/2023	Vacancy prep #319; studio full paint throughout unit, sand and revarnish cabinets in kitchen and bathroom, replace hardware fixtures in bathroom, removed all cabinet contact paper in kitchen cabinets, replaced vertical blinds throughout, CO2/smoke

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
39880	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	105	Total Maintenance Group, Inc.	315.00	0.00	7162-A8FA	03/27/2023	Install new ceiling fan/exhaust/light fixture in bathroom.
39881	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	306	Total Maintenance Group, Inc.	315.00	0.00	7162-A8FA	03/27/2023	Install new ceiling fan/exhaust/light fixture in bathroom.
39882	03/08/2023	03/08/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	214	Total Maintenance Group, Inc.	190.00	0.00	7162-A8FA	03/27/2023	Supply and install new closet door tracks in order to work properly again.
S131591-CL2	03/10/2023	03/10/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		The Chute Doctor	878.00	0.00	3000000333	03/28/2023	1st Quarter 2023; trash chute cleaning of all trash chutes and trash chute doors inside and out on every floor.
9211337230	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	59.04	0.00	6590	03/15/2023	Vertical blinds for Unit #319
9211337229	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	289.78	0.00	6590	03/15/2023	Vertical blinds for Unit #413
9211297016	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	180.66	0.00	6590	03/15/2023	New Ceiling fan for Unit #319 - Vacancy Prep
9211500676	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	180.66	0.00	6590	03/15/2023	New Ceiling fan for Unit #214
9211500678	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El		HD Supply	191.20	0.00	6590	03/15/2023	Vacancy prep supplies for Unit #319 &

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
				Segundo, CA 90245							#413
9211500682	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	93.39	0.00	6590	03/15/2023	Janitorial supplies
9211500680	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	109.26	0.00	6590	03/15/2023	Maintenance supplies
9211500675	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	47.23	0.00	6590	03/15/2023	ADA Vacancy Prep for Unit #413
9211371289	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	152.21	0.00	6590	03/15/2023	New garbage disposal Unit #112
9211371287	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	72.91	0.00	6590	03/15/2023	Maintenance supplies for Vacancy Prep #319 and #413
9211371288	03/15/2023	03/15/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	176.12	0.00	6590	03/15/2023	Maintenance supplies
539258	03/16/2023	03/16/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Montalvo, Uriel	120.00	0.00	7166-656C	03/27/2023	Removed water damaged ceiling fan in dining room, assemble and install new one.
S131591-CL1	03/16/2023	03/16/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		The Chute Doctor	878.00	0.00	3000000330	03/21/2023	4th Quarter 2022 trash chute cleanings every floor and doors.
9211700083	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly		HD Supply	123.41	0.00	6598	03/17/2023	Maintenance supplies #105

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description
				Avenue El Segundo, CA 90245							
9211578237	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	163.16	0.00	6598	03/17/2023	Maintenance supplies #105
9211882573	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	135.77	0.00	6598	03/17/2023	Maintenance supplies
9211882571	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	1,003.02	0.00	6598	03/17/2023	New Dishwasher - Vacancy Prep Unit #413
9211873362	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	25.05	0.00	6598	03/17/2023	Maintenance supplies
9211750352	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	97.77	0.00	6599	03/17/2023	Maintenance supplies #110
9211786163	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	-93.39	0.00	6599	03/17/2023	Applied to invoice 9211750352 9211750
9211882572	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	97.27	0.00	6598	03/17/2023	Maintenance supplies
45544	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Southbay Industrial Hardware	104.66	0.00	3000000329	03/17/2023	Maintenance supplies
45545	03/17/2023	03/17/2023	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Southbay Industrial Hardware	233.20	0.00	3000000329	03/17/2023	Maintenance supplies

**EL SEGUNDO SENIOR CITIZENS HOUSING
DEVELOPMENT CORPORATION**

350 MAIN STREET, EL SEGUNDO, CA 90245

April 14, 2023

RE: Interest Income from Deposit with the City, per Agreement for Investment of Funds

Dear President:

The deposit and interest for the quarter/month ending is as follows:	Q1-2023	March-23 Original
Beginning balance at December 31, 2022		\$ 1,172,489.69
Accrued: Interest (Posted quarterly)		13,545.30
Add: Deposits		
Less: Withdrawals		
TOTAL IN LAIF/CAMP - G/L# 504-101-0000-0004:	As of 3/31/2023	\$ 1,186,034.99

Accrued Interest (posted quarterly by the 15th day following quarter):						
Interest Earned	January	@	4.530%	Actual	CAMP for 31 days	4,511.03
Interest Earned	February	@	4.730%	Actual	CAMP for 28 days	4,254.37
Interest Earned	March	@	4.800%	Actual	CAMP for 31 days	4,779.90
Accrued Interest	quarter to date					13,545.30

Interest earned is based on the interest earnings rate the City of El Segundo received from the California Asset Management Program and the number of days the funds were held by the City during the given period. Per the understanding reached at the September 1997 meeting of the Board of Directors, interest will be credited to the account and compounded on a quarterly basis. Interest shown for each month is for your information only.

If you have any questions, please do not hesitate to give me a call.

Sincerely,
Dino R. Marsocci

Dino R. Marsocci
Deputy Treasurer II

Cc: Joseph Lillio, Chief Financial Officer
Eva Gettler, Accounting Supervisor
Michael Allen, Community Development Director
Neil Cadman, Facility Management for Park Vista
Eduardo Schonborn, Planning Manager
Venus Wesson, Sr. Admin Specialist

**COMMUNICATIONS NETWORK AND SERVICE AGREEMENT
(Bulk)**

The pages that precede the signature blocks below are referred to as the "Property-Specific Terms". The Property-Specific Terms together with the Attachments listed below constitute the Communications Network and Service Agreement ("Agreement"), which is entered into by the following customer ("Owner") and service provider ("Operator") on the "Effective Date" set forth under Operator's signature below. Each of Owner and Operator may be referred to in the Agreement as a "party", and, together, as the "parties". Capitalized terms used in these Property-Specific Terms without definition shall have the meanings assigned to them in the applicable Attachment.

Owner Name and Billing/Legal Notice Addresses:	Operator Name and Legal Notice Addresses:
El Segundo Senior Citizen Housing Corporation	Spectrum Pacific West, LLC
Billing Office and Notice Address: El Segundo Senior Citizen Housing Corporation 214 Main Street, #361 EL SEGUNDO, CA 90245	All Notices Sent to Office at: 12405 Powerscourt Drive St. Louis, MO 63131 Attn: Legal Department – Operations All Notices Also Sent to Office at: 6399 South Fiddler's Green Circle, Sixth Floor Greenwood Village, CO 80111 Attn: Legal Department – MDU All Notices Also Sent to: DL-SCS-Legal@charter.com

Property Information:	Owner's Property Management Company Information (if applicable):
Property Address: Park Vista Senior Housing 615 E. HOLLY AVE. EL SEGUNDO, CA 90245 Telephone: 310-322-5036	Corporate Office Address: 214 Main Street, #361 EL SEGUNDO, CA 90245
Property Type: Sr Properties (Ind Living)	
Number of Units: 97	
On-Site Contact Name: Neil Cadman	Contact Name: Neil Cadman
On-Site Telephone: 310-606-5894	Contact Telephone: 310-606-5894
On-Site Email: parkvista@cadmangroup.net	Contact Email: ncadman@cadmangroup.net

Owner owns (or is building), or, in the case of an owner's association, is the authorized representative for the multi-unit property referred to above (including the underlying land and all improvements thereon, the "Property"). Owner and Operator desire that Operator install (as necessary) and operate the System to make the Services available to Users in accordance with the terms of the Agreement. Owner and Operator agree as follows:

- Term.** The Agreement commences on the Effective Date and may be terminated by either party at any time after the end of the Service Commitment Period by providing a Termination Notice (defined hereafter) (the "Term").
- Service Commitment Period.** The "Service Commitment Period" is 60 months and commences on the later of the following two dates: (a) the date that System installation or upgrading is complete (or the Effective Date if Operator currently serves the Property and no System modifications are required); or (b) if Owner is purchasing any Bulk Service under the Agreement, the date that Operator first begins billing Owner the full (undiscounted) Bulk Service Fee to all Units.
- Termination Notice.** In addition to any early termination rights contained elsewhere in the Agreement, either party may terminate the Agreement after the end of the Service Commitment Period by providing the other with a termination notice (the "Termination Notice"). The Termination Notice must provide at least 90 days advance notice of termination.
- Service Activation Date and Commencement of Billing.** Operator will begin providing and billing for Services (to Users for individually-billed Services and/or to Owner for Services provided on a bulk-billed basis) on the Service Activation Date. The "Service Activation Date" is:
 - the later of (a) 60 days after the Effective Date.

5. **Special Terms.** The following special terms supplement and/or supersede, as the case may be and as the context requires, any contrary terms in the Attachments.

5.1 **Door Fee (One-Time) Payment.** \$200.00 per Unit, for a potential total of \$19,400.00.

5.2 **Owner Remittance Address.** Operator shall send all payments to Owner to the following address: El Segundo Senior Citizen Housing Corporation, 214 Main St. #361, El Segundo CA 90245

5.3 **Bulk Service Fee.** The "Bulk Service Fee" is \$50.00 per Unit x 97 Units = \$4,850.00 per month (plus applicable taxes and fees) for the Services provided on a bulk-billed basis as described below. Operator may increase the Bulk Service Fee by 5% each year beginning the later of the (a) January following the start of the Service Commitment Period, unless the Service Commitment Period starts on the Effective Date and the Effective Date occurs in October, November, or December, in which case Operator shall not increase the Bulk Service Fee until January of the following calendar year or (b) January, as further specified in the applicable Bulk Service Attachment(s).

5.4 **Bulk Service Ramp-Up Period.**

Rate Ramp: Notwithstanding any contrary provision in these Property-Specific Terms or any Attachment, the Bulk Service Fee during the first 12 months of billing (commencing on the Service Activation Date), shall be as follows (not including applicable taxes and fees, which shall be in addition to the following amounts):

Months 1-3 = \$10.00 x total number of Units (regardless of occupancy)

Months 4-6 = \$20.00 x total number of Units (regardless of occupancy)

Months 7-9 = \$30.00 x total number of Units (regardless of occupancy)

Months 10-12 = \$40.00 x total number of Units (regardless of occupancy)

Thereafter Operator shall bill Owner the full Bulk Service Fee as described in the Bulk Service Fee section above.

5.5 **Bulk Video Service.** Owner is purchasing from Operator on a bulk-billed basis (a) the Service currently known as Spectrum TV® Select; and (b) the CPE, if any, listed in the Section below, if any (collectively, the "Bulk Video Service"), including the following common areas: Community Room, Building Office, and Exercise Room. The Bulk Video Service will be provided to the appropriately installed CPE provided by Operator. Upgrades to the Bulk Video Service, if available, will be provided per Operator's then-current terms and conditions. Concurrently with signing the Agreement, Owner shall provide Operator with a complete list of addresses of all Units to receive the Bulk Video Service. The channel line-up for the Bulk Video Service is available at <https://www.spectrum.com/bulk-channel-lineup> or the applicable successor URL.

5.6 **Bulk Video Service CPE.** The Bulk Service Fee includes

User Responsible

● One digital set-top box per Unit. User is required to self-install this CPE and is responsible for returning the CPE to Operator. Users may request CPE upgrades and/or professional CPE installation directly from Operator, and, if available, will be provided per Operator's then-current terms and conditions.

5.7 **Bulk Internet Service.** Owner is purchasing from Operator on a bulk-billed basis (a) the Service currently known as Advanced Community WiFi Ultra (500 Mbps x 20 Mbps) ("Advanced Community WiFi" for the purposes of the Bulk Internet Services Attachment), including the following common areas: Community Room, Building Office, and Exercise Room at the following speeds 300 Mbps x 10 Mbps; and (b) the CPE listed in the Section below, if any (collectively, the "Bulk Internet Service"). The Bulk Internet Service will be provided to the appropriately installed CPE provided by Operator. Upgrades to the Bulk Internet Service, if available, will be provided per Operator's then-current terms and conditions. Concurrently with signing the Agreement, Owner shall provide Operator with a complete list of addresses of all Units to receive the Bulk Internet Service.

5.8 **Bulk Internet Service CPE.** The Bulk Service Fee includes

User Responsible

● One modem and wireless router per Unit. User is required to self-install this CPE and is responsible for returning the CPE to Operator. Users may request CPE upgrades and/or professional CPE installation directly from Operator, and, if available, will be provided per Operator's then-current terms and conditions.

6. **Attachments.** The following Attachments are incorporated into and made a part of the Agreement by this reference.

System Installation and Services Attachment


Internal Wiring (Owner Install or Upgrade) Attachment

- Non Exclusive Marketing Rights Attachment
- Door Fee (One-Time) Payment Attachment
- Bulk Video Attachment
- Bulk Internet Attachment ACW

7. **Signatures: Authority.** The individuals signing below represent to Owner and Operator that they are duly authorized to execute and deliver the Agreement on behalf of the entity for which they have signed. Electronic signatures or exact copies (such as facsimiles) of original signatures shall have the same force and effect as original signatures.

OWNER

El Segundo Senior Citizen Housing Corporation



 Signature
 Paul LAMY


 Printed Name
 President, Board of Park Vista

 Title

OPERATOR

Spectrum Pacific West, LLC

By: Charter Communications, Inc., its Manager

DocuSigned by:


 Signature
 Douglas Bassett

 Printed Name
 Director, Spectrum Community Solutions

 Title
 Effective Date: 4/12/2023

Insert Legal Property Description For:
615 E. Holly Ave., El Segundo, CA 90245

SYSTEM INSTALLATION AND SERVICES ATTACHMENT

1. **Certain Defined Terms.** When capitalized in the Agreement, the following terms have the following meanings:

“Authorized Representative” means any affiliate, employee, agent, contractor, or other authorized representative of the subject party.

“Claim” means any claim, dispute, controversy, demand, allegation, suit, action or proceeding.

“CPE” means customer premises equipment, such as converters, receivers, set-top boxes, modems, routers, gateways, wireless access points, and other such devices placed within a Unit.

“Demarcation Point” means (a) for Properties with buildings containing multiple dwelling Units (such as apartment complexes, condominiums, etc.), the minimum point of entry (MPOE) (generally, a single, centrally-located communications room containing the main distribution frame) and then extending through designated building pathways (conduit, risers, raceways, etc.) to the intermediate distribution frames (generally located in closets or similar enclosures or rooms, but not within Units) on each floor, to which Operator will extend its Equipment as necessary to provide Services to such Units; (b) for Properties with stand-alone Units (such as single family homes, garden-style apartments, townhomes, mobile homes, etc.), the distribution panel located on the exterior of each such Unit to which Operator will extend its Equipment as necessary to Services to such Units; and (c) for Properties where there are transient Units or no Units (such as RV Parks, marinas, etc.), to an agreed upon or existing termination point to which Operator will extend its Equipment as necessary to provide Services to such Units or outlets. The location of Demarcation Points may be further specified in the Plans.

“Equipment” means all conduit, wiring (such as fiber, coaxial cable, category of performance wiring, copper, etc.), hardware (such as wireless access points, gateways, switches, routers, amplifiers, etc.), software, facilities (such as building entrance facilities, vaults, above-ground enclosures, pedestals, lockboxes, etc.), equipment and all other network infrastructure installed, upgraded and/or used by Operator at the Property to provide the Services, but excluding the Internal Wiring and CPE.

“Force Majeure Event” means an event or condition beyond a party’s reasonable control, including an act of God or government, failure or delay caused by utilities, suppliers or carriers, weather, war, riot, strike, work stoppages, insurrection, vandalism, cabling cuts by third parties, and loss of the right to use rights of way or frequencies, but excluding payment of monies due.

“Internal Wiring” means the wiring on the User side of the Demarcation Point that is or may be used by Operator to deliver Services, regardless of whether in use at any given time.

“IoT” means the Internet of Things, as such term is commonly understood in the telecommunications industry.

“Laws” means all applicable federal, state, and local statutes, rules, regulations, and ordinances, including the rules and regulations of the Federal Communications Commission, and any necessary federal, state and local permits, licenses and approvals.

“Liabilities” means any and all losses, damages, judgments, obligations, costs, assessments, deficiencies, expenses (including court costs and attorneys’ fees), physical damage to tangible personal property, bodily injury, death and any other liabilities.

“Pathways” means all conduits, poles, moldings, risers, raceways, shafts and similar pathways and areas at the Property where the System is or will be installed.

“Plans” means the construction plan (which may be a design application, scope of work, construction responsibility matrix, etc.) for installation of the System, or, where there are no such plans or the plans do not adequately address a specific requirement, Operator’s then-current installation methods. Operator owns all right, title and interest in and to the Plans, and the Plans are the confidential information of Operator.

“Section” means all of the text contained under a caption or reference heading preceded by a whole number (e.g., 10, 11, etc.) and includes all further text thereunder (e.g., 10.1, 10.2(a), 10.2(b), etc.).

“Services” means all services that Operator and its affiliates offer in the Service Area, including any Services provided on a bulk basis under an Attachment.

“Service Area” means the territory in which the Property is located for which Operator holds a then-current franchise or other legal authority to provide Services.

“Subscriber Terms” means any subscription agreement, terms and conditions of use, acceptable use policies, privacy policies, and other similar policies, in each case as established and modified by Operator in its sole discretion from time-to-time, without notice to Owner or Users, regarding the purchase and use of Services and made available to Users. The acceptable use policy portion of the Subscriber Terms applicable to Internet Services may be found at <https://www.spectrum.com/policies/residential-terms.html> or the applicable successor URL. The privacy policy portion of the Subscriber Terms applicable to the Internet Services may be found at <https://www.spectrum.com/policies/spectrum-customer-privacy-policy.html> or the applicable successor URL. The general terms of Service may be found at <https://www.spectrum.com/policies/residential-general-terms-and-conditions-of-service> or the applicable successor URL.

“System” means the Equipment and Internal Wiring.

“Unit” means a single dwelling unit, billing unit or outlet, common area (such as a clubhouse), lot, or boat berth, in each case to which Services are to be provided, as the case may be and as the context reasonably requires.

“User” means a Unit owner or occupant, Owner, Owner Authorized Representative, or other person at the Property, including temporary guests, who subscribe to or are permitted under the Agreement to receive Services.

2. **Right of Access.**

2.1 Grant of Access. Owner hereby grants to Operator and its Authorized Representatives a non-exclusive right of access across, under, over, within and through the Property (including within buildings and other improvements and the right to use all Pathways) to permit Operator to exercise its rights and fulfill its obligations under the Agreement (“Right of Access”), including the right, on an exclusive or nonexclusive basis as set forth in the Agreement, to (a) install, operate, use, maintain, repair, upgrade, replace and/or remove the System; and (b) offer, provide and market Services. This Right of Access commences on the Effective Date and automatically terminates concurrently with the Agreement, except that Operator shall have an additional 60-day period after the Term to access the Property to remove or dispose of the System as permitted by the Agreement.

2.2 Use of Space and Pathways. The Right of Access includes adequate space for Operator to install the System components that it is obligated to install under the Agreement, in locations mutually acceptable to Owner and Operator. Any Pathways where the System is to be located that are owned by Owner or a third party shall, as between Owner and Operator, be owned by Owner, and Owner hereby grants to Operator the nonexclusive right to access, use, and maintain such Pathways. If Owner is an association (such as a homeowners’ association, condominium owners’ association, etc.) or cooperative and only has the authority to provide Operator with access to the common areas of the Property, then this Right of Access automatically shall be limited to such common areas. If any Unit owner or occupant does not provide Operator with access to their unit to install, maintain and operate the System, Operator shall have no obligation to perform any of its obligations under the Agreement with respect to such Unit (including providing Services).

2.3 Other Terms. Owner may be required to execute and have notarized a separate Memorandum of Agreement that includes additional Right of Access terms. Operator may record such Memorandum of Agreement at any time. In the event of any conflict or inconsistency between the terms of this Section and the separately signed Memorandum of Agreement, the terms of the Memorandum of Agreement govern and control. Owner may grant other rights of access to the Property, but will not allow such other grants to interfere with the Right of Access or Operator’s use of the System. Operator shall have 24x7 access to the System to address emergency conditions (such as to correct a hazardous condition or general Service outage). Operator shall conduct all routine work at the Property (such as installations, disconnections, routine maintenance, testing, etc.) during normal and reasonable working hours established by Owner for the Property. At either party’s request, an Owner Authorized Representative will accompany Operator’s Authorized Representatives while accessing the Property. Notwithstanding any contrary provision in the Agreement, if Laws require Owner to provide Operator with access to the Property for the provision of any Service, then (a) Operator shall continue to own and be permitted to access and use any System components as provided in the Agreement to provide Services to the Property; and (b) any System ownership and removal rights shall apply at such time as Laws no longer provide for Operator’s access to the Property. Nothing in this Section shall operate as, or be construed to be, a waiver of any rights that Operator may have under any Laws, and all such rights are hereby reserved by Operator.

3. **System Installation, Ownership, Use and Removal.**

3.1 Property Inspection. Operator may perform a site survey at the Property prior to System installation and/or activation of Services. Upon Operator’s request, Owner shall provide Operator with all available maps, plats, as-builts and similar drawings of the Property showing improvements (including risers, raceways and similar pathways therein), utility locations, easements, rights of way and similar items affecting System installation. If Operator determines, in its sole discretion, that it would not be commercially sensible to install the System (due to technical issues, costs, Laws, etc.), then Operator will discuss such situation with Owner and, if the parties are unable to resolve such situation, then Operator may either terminate the Agreement upon notice to Owner or move forward with such installation notwithstanding such situation.

3.2 Equipment Installation; Power. Operator shall, at its sole cost, install the Equipment in a good and workmanlike manner and in accordance with accepted industry standards, Laws and the Plans. Operator shall perform its work at the Property in such a way as to reasonably minimize interference with the operation of the Property and the peaceful enjoyment of the Property by Users. Owner is responsible, at its sole cost, for opening and closing all trenches where the System will be located, and Owner shall ensure that such trenches are sufficiently wide and deep to accommodate the Equipment and comply with Laws. Operator may connect to and use standard electric power sufficient to operate the System from the existing electrical sources located at the Property, and the cost of such power is included within the consideration provided to Owner under the Agreement.

3.3 Relocation. If Owner desires Operator to relocate any portion of the System, or do additional installation work not required by the Plans, then Owner shall reimburse Operator for all costs actually incurred by Operator (on a time and materials basis at Operator’s then-current standard rates) in developing the requested plans and performing such additional work.

3.4 Removal. Upon termination of the Agreement and subject to the Right of Access, Operator may either remove the Equipment or leave the Equipment in place, in each case in whole or in part. If Operator fails to remove the Equipment within the time frame permitted by the Right of Access, then such Equipment shall be deemed abandoned in place and title thereto automatically shall vest in Owner without further action, cost or liability to either party. Any disposal of the Equipment by Owner shall be in compliance with Laws.

3.5 Ownership, Maintenance and Use of Equipment. Operator owns and has the exclusive right to access, operate, maintain, upgrade, replace and remove the Equipment. Except as specifically set forth otherwise in the Agreement, the Equipment shall at all times remain the personal property of Operator, and is not, and shall not be deemed to be,

affixed to or a fixture of the Property. Operator retains the risk of damage to and loss of the Equipment, unless such damage or loss is caused by Owner or its Authorized Representatives, in which case Owner promptly shall reimburse Operator for its actual costs to repair or replace such damaged or lost Equipment. Owner shall not, and Owner shall not permit any third party to, access, move, use or interfere with the Equipment. Operator shall at all times keep the Equipment in good order, repair and condition, in compliance with Laws; provided that repeated damage to the Equipment may result in a suspension or termination of Services instead of repair or replacement. Owner shall cooperate with Operator to safeguard any Equipment located within Units or other private or secured areas and assist Operator in removing and recovering such in-Unit Equipment.

3.6 CPE. Unless provided otherwise in an Attachment, Operator owns all CPE provided to Users and/or Owner and/or supplied to the Property. The type of CPE provided to Users shall be in Operator's sole discretion and subject to availability and change at any time without notice. If a User (which may include Owner) desires different or additional CPE, then, subject to Operator's policies, availability, and compatibility with any other Services being provided at the Property, such User must obtain such different or additional CPE directly from Operator under Operator's then-current terms and conditions. Users are responsible for any lost, stolen, damaged or unreturned CPE at Operator's then-current replacement charges, and are responsible for returning all CPE to Operator after termination of Services, unless Owner specifically is responsible for such CPE as set forth in the Property-Specific Terms or an Attachment, in which case Owner is responsible for the foregoing. CPE replacement may take up to 30 days. All CPE is provided on an "as-is basis" without warranty of any kind. Unless specified otherwise in the Property-Specific Terms, each User is responsible to order, pick up and self-install CPE or may, at such User's option, arrange directly with Operator to have Operator perform such installation at its then-current rates. Owner will use reasonable efforts to safeguard and return to Operator any CPE left by Users in vacated Units, the Property management office, or other areas of the Property.

3.7 Property Restoration. Operator shall, at its sole cost, repair and restore all portions of the Property damaged by Operator to its condition existing immediately prior to such damage, regardless of whether such damage occurred during installation, operation, maintenance, or removal activities.

3.8 Liens. Operator shall not allow any materialman's or mechanic's liens to attach to the Property in connection with Operator's construction of the System, provision of Services, or performance of the Agreement. Operator shall be responsible for the satisfaction or payment of any liens for any provider of work, labor, material or services claiming by, through or under Operator. Operator shall discharge any liens that are filed in connection with Operator's work within 30 days after receiving notice from Owner of such lien by bonding, payment or otherwise at Operator's sole cost; provided, that Operator may contest, in good faith and by appropriate proceedings, any such liens.

3.9 Internal Wiring Installation, Ownership, Use and Removal. Internal Wiring installation, ownership and use rights and obligations are set forth in the applicable Attachment for Internal Wiring. Subject to any continuing use rights in the Right of Access, at the end of the Term, Operator shall rely upon the applicable Attachment for Internal Wiring. Disposition of the ownership and control of the Internal Wiring after the lawful termination of Operator's rights to remain on the Property, shall be handled by the Parties in accordance with 47 CFR § 76.804, unless otherwise agreed upon by the Parties in writing.

4. **System Protection and Interference.**

4.1 System Protection. Once the System is installed, it may not be accessed, relocated, removed, disturbed, used or interfered with by Owner or any third party. Owner shall use commercially reasonable efforts to safeguard the System against damage and unauthorized use. If Owner becomes aware of any unauthorized use of the System or receipt of the Services, then Owner promptly shall notify Operator and cooperate with Operator to end the unauthorized use of the System or receipt of Services.

4.2 System Interference. If there is any condition at the Property that interferes with Operator's use of the System or provision of Services, and Operator notifies Owner of such condition, then Owner promptly (and in all cases within any time frame required by Laws) shall alter or cease its use of or at (or cause such third party to alter or cease its activities at) the Property to completely and permanently eliminate such interference. If Operator determines, in its sole discretion, that as a result of interference or unauthorized use caused by the acts or omissions of Owner, a User, a third party, or a Force Majeure Event, (a) Operator is hindered in the proper operation of the System and/or provision of Services; (b) there is a risk to the safety of any person or damage to the System or Property; or (c) provision of Services is in violation of Laws; then Operator may, without liability to Owner or Users, (i) terminate the Agreement upon notice to Owner; (ii) disconnect or suspend Services or power down or remove Equipment (in each case in whole or in part); and/or (iii) take any legal or other actions as Operator's deems necessary. During any such interference where Operator elects to continue providing Services, Operator's Services may be degraded due to the effects of such interference and such degraded Services shall not be a breach of the Agreement. If there is any signal leakage caused by the System in violation of Laws (regardless of cause), Operator shall have the same remedies set forth in this paragraph.

5. **Services.**

5.1 General Operator Obligations. Owner grants to Operator the right to offer and provide Services at the Property, as may be further detailed in other Attachments. The terms and conditions under which Users purchase and Operator provides Services (including installations and billing) shall be pursuant to agreements entered into between Operator and such Users (which may include Owner under a separate Attachment). Operator will use commercially reasonable efforts to ensure that the Services are available to Users 24 hours per day, 7 days per week, excluding during scheduled maintenance, required repairs, and Force Majeure Events. Operator may, with or without notice and without breaching the Agreement, suspend, disconnect or refuse to provide Services or CPE to any person who (a) fails to execute or abide by Operator's Subscriber Terms; (b) uses the Services, System or CPE in violation of Laws; or (c) fails to provide Operator with the information required to establish and maintain a Service account or to receive CPE.

If Operator reconnects such Users, then Operator may charge its then-current standard disconnection and reconnection fees to such User. Subject to Laws, Operator has the right to select and make changes to the programming comprising the video Services offered to persons located in the Service Area (including Users), or add to, discontinue or change the rates and Services or any features, technology or components available to the Property as Operator deems necessary or desirable in its sole discretion. Owner acknowledges that Operator uses certain programming and content owned or provided by third parties. Owner shall not make any Claims against Operator or its affiliates if certain programming or content is interrupted, discontinued or substituted. The rates Operator charges Users will be consistent with the residential rates Operator generally charges in the Service Area, as the same may change from time-to-time. The signal quality of the video Services will meet or exceed any applicable standards prescribed by the Federal Communications Commission. Owner shall not (i) enter into any bulk-billed, bulk-provision (regardless of whether for a fee), bulk or volume discount, or any other similar arrangement with any other provider at the Property for services similar to the Services; or (ii) except as specifically provided by the applicable Attachment (which may allow Owner to charge Users), sell, resell, or redistribute the Services or CPE to any third party (including a User), or permit any third party to do so.

5.2 Owner Obligations Regarding User Access Suspension and Reactivation. If Owner is specifically permitted to suspend/reactivate any User's access to Service Set Identifier(s) (SSIDs) used at a Property, then Owner shall be responsible for (a) educating itself about, and strictly complying with, all Laws related to suspending and reactivating such access; (b) providing prior written disclosure to all potentially affected Users, specifying the conditions and process for suspending and reactivating the access; and (c) providing prior notices to affected Users as required by Laws. Because any access suspension and reactivation is solely Owner's decision and action, Owner shall be liable to Operator for any Claims or issues resulting from such actions, including loss of use of IOT devices or functionality. Notwithstanding any contrary provision in the Agreement, Owner may not be able to suspend access for any User that purchases additional Internet Services directly from Operator. Operator is entitled to, at any time and without notice or liability to Owner, reestablish access and/or Services and/or disable any features providing Owner the ability to suspend/reactivate User access.

5.3 Privacy and Compliance with Subscriber Terms. Operator treats private communications on or through its network or using any Internet service it provides as confidential and does not access, use or disclose the contents of private communications, except in limited circumstances and as permitted or required by Laws. Users are not authorized to use any Service without prior review and acceptance of the Subscriber Terms. Owner represents and warrants that it has read Operator's Subscriber Terms and agrees to be bound by them. If Users are unable to review and/or accept the Subscriber Terms via electronic means, then Owner shall use reasonable efforts to provide the Subscriber Terms in hard copy for Users to review and obtain each User's written acceptance of the Subscriber Terms. Owner should routinely review the Subscriber Terms for updates and notify Users of such updates.

6. **Owner's Representations and Warranties.** Owner represents, warrants and covenants to Operator that (a) Owner is either (i) the sole legal and equitable owner in fee simple of the Property; or (ii) Owner holds a controlling interest in the Property, provided, however, that if Owner is an owner's association, this clause (a) does not apply; or (iii) Owner is the sole lessee of the Property for the duration of the Term; (b) Owner has the full power and authority to negotiate, execute, deliver and perform the Agreement and the legal authority to bind the legal owner(s) of and the holder of fee title to the Property and/or the Units to (or make the foregoing parties subject to) the Agreement; (c) the legal description attached to the Right of Access is the complete, accurate, and current legal description for the Property; (d) neither Owner nor the Property is subject to or has been threatened with any bankruptcy proceeding, foreclosure action, deed-in-lieu-of-foreclosure transaction, litigation or Claims that could adversely affect Operator's rights under the Agreement; (e) Owner owns or has the right to grant to Operator the right to use all Pathways and System components not owned by Operator as contemplated by the Agreement; (f) Owner shall not rebroadcast or display the Services in a public place or use any part of the Services in connection with a "public performance" unless it has obtained the requisite licenses, consents, and authorizations (such as for music rights, rebroadcast rights, etc.) and paid the appropriate fees (such as license fees, music royalties, etc.); (g) Owner is not subject to, and during the Term shall not become subject to, any agreement or understanding with any third party that conflicts with the Agreement; and (h) as of the Effective Date, Owner is not required to obtain any additional consent or approval, to make any filing, or to provide any notices (including approval of Unit owners) in connection with entering into or performing the Agreement.

7. **Operator's Representation and Warranties.** Operator represents, warrants and covenants to Owner that (a) Operator has the full power and authority to negotiate, execute, deliver and perform the Agreement; (b) Operator is not subject to, and during the Term shall not become subject to, any agreement or understanding with any third party that conflicts with the Agreement; (c) Operator has all necessary approvals, consents and governmental authorizations, licenses and permits to provide the Services and shall comply with all Laws applicable to the System and provision of Services; and (d) Operator will maintain during the Term all required licenses, permits, and approvals necessary to permit Operator to operate the System and provide the Services.

8. **Indemnification.**

8.1 From Operator. Operator will defend, indemnify and hold harmless Owner and, as applicable, Owner's Authorized Representatives, from and against all Liabilities incurred by Owner and its Authorized Representatives that result from third-party Claims of (a) bodily injury or death; or (b) damage to tangible personal property (excluding software, data and other intellectual property rights) or real property; for each of the foregoing clauses (a) and (b) where such Claims are based on Operator's or Operator's Authorized Representatives' (i) negligence or willful misconduct while at the Property; (ii) breach of any representation or warranty made by Operator under the Agreement; (iii) violation of a third party's rights; or (iv) violation of Laws. The indemnity provisions of this paragraph shall not apply to the extent that any Liabilities are attributable to the negligence or intentional misconduct of Owner or its Authorized Representatives.

8.2 From Owner. Owner will defend, indemnify and hold harmless Operator and, as applicable, Operator's Authorized Representatives, from and against all Liabilities incurred by Operator and its Authorized Representatives that result from third-party (including Users or governmental authorities) Claims (a) of bodily injury or death; (b) of damage to tangible personal or real property; for each of the foregoing clauses (a) and (b) where such Claims are based on Owner's or Owner's Authorized Representatives' (i) negligence or willful misconduct while at the Property; (ii) breach of any representation or warranty made by Owner under the Agreement; (iii) violation of a third party's rights; or (iv) violation of Laws; (c) arising out of Owner's actions or inaction under Section 5.2 (Owner Obligations Regarding User Access Suspension and Reactivation); (d) relating to any inability to use or failure of functionality of Users' IOT applications and devices connected to the System; (e) relating to data privacy or security across the System; or (f) that Users failed to comply with the Subscriber Terms and where Owner has breached Section 5.3 (Privacy and Compliance with Subscriber Terms). The indemnity provisions of clauses (a) and (b) of this paragraph shall not apply to the extent that any Liabilities are attributable to the negligence or intentional misconduct of Operator or its Authorized Representatives.

8.3 Procedures. A party seeking defense and indemnification under this Section ("Indemnitee") promptly shall (a) notify the other party ("Indemnitor") of any Claim for which it is requesting indemnification and tender the defense; and (b) provide all reasonably available facts, circumstances, documents and particulars of the Claim and reasonably assist where requested to enable Indemnitor to defend, settle, and indemnify for such Claim. Failure to promptly comply with the foregoing sentence shall not relieve Indemnitor of its obligations under this Section, except to the extent that such delay or failure materially and demonstrably prejudices Indemnitor's ability to defend or settle such Claim and results in an increase in Liabilities in connection therewith. The Indemnitor, at its sole cost, shall promptly assume the defense and control of such Claim using counsel of its own choosing that is reasonably satisfactory to Indemnitee. Indemnitor promptly shall confirm in writing to Indemnitee that it has assumed the defense and control of the Claim in compliance with this Section. If Indemnitor fails to provide such notice to Indemnitee, then Indemnitee may proceed with defending or settling such Claim under the terms of this Section as if it were the Indemnitor, and it shall notify Indemnitor that it has done so. Indemnitor shall have sole control over such defense, investigation, and settlement negotiations, provided that Indemnitor shall not settle any Claim without first disclosing all terms of the settlement to Indemnitee and obtaining Indemnitee's prior approval. Indemnitee may withhold approval if the settlement does not provide Indemnitee with a full release regarding such Claim. If Indemnitor timely complies with its obligations under this Section, then Indemnitee shall be responsible for any attorneys' fees or other costs or expenses it incurs in connection with the Claim (such as its own costs of investigation, verification, review, tender, etc.).

9. **Default and Remedies.**

9.1 Default. The following shall constitute material breaches of the Agreement: (a) a party breaches or fails to meet or perform any material representation, warranty, covenant or other obligation contained in the Agreement and then fails to cure such matter within 30 days (or such other time period specified in the Agreement) after receiving notice from the non-breaching party that reasonably details the breach so as to permit the breaching party to pursue a cure, unless such breach is not reasonably curable within such period, in which case the breaching party shall not be deemed to be in breach so long as it has commenced a cure within such period and diligently pursues such cure to completion; (b) a party becomes insolvent or a debtor in a bankruptcy or similar action or proceeding; or (c) the Property becomes subject to foreclosure or similar action or proceeding. Notwithstanding any contrary provision in the Agreement, if a party is required to act pursuant to Laws prior to the required notice or cure period in this paragraph, then such party shall be entitled to act without being in breach of the Agreement.

9.2 Remedies. Except as specifically provided otherwise in the Agreement, and in addition to the other rights granted in the Agreement, the non-breaching party shall be entitled to seek all remedies available at law or in equity with respect to a breach of the Agreement by the breaching party (including injunctive relief and specific performance in cases where a breach is causing or would cause irreparable damage or where no adequate remedy at law is available), and such rights and remedies shall be cumulative. If the breaching party fails to cure a breach as provided in the Agreement, then the non-breaching party may, in addition to all other available remedies, terminate the Agreement upon notice to the breaching party. If Owner is obligated to pay for any Services under the Agreement and Owner defaults pursuant to this Section, then in addition to any other remedies available to Operator, Operator may, without further notice, suspend such Services until the default is cured or stop providing any or all of such Services to Owner and instead begin providing such Services directly to Users on an individually-billed basis during the remainder of the Term. Operator may also terminate the Agreement upon notice to Owner if the System has been damaged more than three times in any 12-month period due to vandalism, unauthorized access, or other activity not authorized by Operator.

9.3 Termination Payment. If the Agreement is (a) improperly terminated by Owner; (b) properly terminated by Operator as permitted by the Agreement; or (c) not honored by any assignee or successor of Owner (regardless of whether such assignee or successor acquires the Property by purchase, transfer, operation of Laws, or otherwise), then Owner shall pay to Operator, within 30 days after the date of Operator's invoice therefor, an amount equal to Operator's reasonably expected revenues for the remainder of the Term had the Agreement been fully performed by the parties until the earliest date of termination permitted by the Property-Specific Terms (the "Termination Payment"). Nothing in this Section affects ownership or disposition of the System. Provided that Operator timely receives the Termination Payment from Owner, the Agreement automatically shall terminate (if not already terminated) and the remedies provided for in this paragraph shall be Operator's sole remedy and Owner's sole liability for a termination of the Agreement covered by this paragraph. If another Attachment provides for a different Termination Payment, then such other Attachment shall apply instead of this paragraph.

9.4 Competing For Owner's Business. During any renewal term, Operator intends to compete for Owner's business on price and quality of service. Therefore, in the event Owner is considering accepting a competing proposal for any

renewal term from another provider for any services similar to the Services, Owner shall notify Operator and provide Operator 30 days to submit a proposal pursuant to which Operator would offer such services on the same or more favorable terms to Owner. If Operator provides a proposal that is the same or more favorable than the proposal from another provider, then Owner agrees to work with Operator to purchase such services from Operator during the renewal term and, at Owner's discretion, negotiate either (i) an amendment to this Agreement containing such new proposal terms, or (ii) a new agreement.

10. **Disclaimer of Warranties; Limitation of Liability; Assumed Risks.** EXCEPT AS OTHERWISE STATED IN THE AGREEMENT, OPERATOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE SYSTEM, CPE, OR THE SERVICES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, OR NON-INFRINGEMENT, OR THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE, AND ALL SUCH WARRANTIES ARE HEREBY DISCLAIMED BY OPERATOR AND WAIVED BY OWNER TO THE EXTENT NOT PROHIBITED BY LAWS. IN NO EVENT SHALL OPERATOR BE LIABLE FOR ANY INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, INCLUDING DAMAGES BASED ON LOSS OF SERVICE, REVENUE, RENT, PROFIT OR BUSINESS OPPORTUNITY. ALL CLAIMS UNDER THIS AGREEMENT MUST BE INITIATED NO LATER THAN ONE YEAR AFTER THE OCCURRENCE GIVING RISE THERETO OR THEY SHALL BE DEEMED WAIVED, EXCEPT WITH RESPECT TO CLAIMS BY OWNER RELATING TO SERVICE CHARGES OR INVOICES FROM OPERATOR OR FOR PAYMENTS DUE FROM OR MADE BY OPERATOR, WHICH MUST BE INITIATED NO LATER THAN SIX MONTHS AFTER THE DATE OF SUCH CHARGE, INVOICE, PAYMENT, OR PAYMENT DUE DATE. THIS SECTION APPLIES NOTWITHSTANDING ANY CLAIM THAT IT DEPRIVES A PARTY OF AN ADEQUATE REMEDY OR CAUSES ANY REMEDY TO FAIL OF ITS ESSENTIAL PURPOSE.

OWNER ACKNOWLEDGES AND AGREES THAT (A) THE PERFORMANCE OF INTERNET SERVICES MAY VARY FROM TIME TO TIME BASED ON OVERALL NETWORK USAGE, ENVIRONMENTAL CONDITIONS, DEVICE LIMITATIONS, AND OTHER FACTORS, AND THAT NO MINIMUM TRANSMISSION SPEED, UP-TIME OR AVAILABILITY IS GUARANTEED AT ANY TIME; (B) ACCESS TO THE INTERNET MAY NOT BE SECURE, MAY BE MONITORED BY THIRD PARTIES NOT UNDER OPERATOR'S CONTROL, MAY PROVIDE USERS WITH ACCESS TO CONTENT, MERCHANDISE AND SERVICES THAT ARE NOT CONTROLLED OR PROVIDED BY OPERATOR AND FOR WHICH THERE ARE CHARGES PAYABLE TO THIRD PARTIES, AND IS AT USERS' SOLE RISK; (C) OPERATOR SHALL NOT BE LIABLE IN ANY WAY IN CONNECTION WITH ANY USE OF THE INTERNET BY USERS, INCLUDING FEES INCURRED BY USERS FOR THIRD PARTY CONTENT, PRODUCTS OR SERVICES, OR CIRCUMSTANCES WHERE THE USE OR LOSS OF INTERNET SERVICES RESULTS IN CHARGES BY THIRD PARTIES, FILE OR DATA CORRUPTION OR LOSS, HARDWARE OR SOFTWARE DAMAGE OR LOSS (INCLUDING FROM VIRUSES AND OTHER MALEVOLENT ACTS OR THINGS), LOSS OF IOT CONNECTIVITY, USE OR FUNCTIONALITY, ETC., AND OPERATOR HAS NO OBLIGATION TO RESOLVE DISPUTES WITH SUCH THIRD PARTIES OR OTHER VENDORS; (D) OPERATOR MAKES NO WARRANTY AS TO THE SECURITY OF USER COMMUNICATIONS VIA THE SYSTEM OR THE SERVICES, OR THAT THIRD PARTIES WILL NOT GAIN UNAUTHORIZED ACCESS TO OR MONITOR USER COMMUNICATIONS; AND (E) OPERATOR MAKES NO WARRANTY THAT DATA OR FILES SENT BY OR TO USERS WILL BE TRANSMITTED IN A SECURE, ENCRYPTED OR UNCORRUPTED FORM OR WITHIN A REASONABLE PERIOD OF TIME.

OWNER ACKNOWLEDGES AND AGREES THAT IT HAS NOT RELIED ON OPERATOR FOR ANY PRIVACY OR SECURITY ADVICE, SECURITY MONITORING, SECURITY EVENT MITIGATION, OR THREAT IDENTIFICATION IN CONNECTION WITH THE INTERNET SERVICES OR USERS' IOT APPLICATIONS OR DEVICES, OR OTHER APPLICATIONS OR DEVICES (WHETHER BY USERS OR THIRD PARTIES), CONNECTED TO THE SYSTEM. OWNER IS RESPONSIBLE FOR ESTABLISHING AND MAINTAINING ITS OWN BACKUP SYSTEMS FOR REDUNDANCY TO ENSURE CONTINUOUS IOT DEVICE OPERATION. OWNER IS RESPONSIBLE FOR AND ASSUMES ALL LIABILITY OF ANY LOSS OF INFORMATION, SECURITY BREACHES OR INCIDENTS AND TRANSMISSION OF MALICIOUS THINGS OVER OR RELATED TO THE INTERNET SERVICES, USERS' IOT APPLICATIONS OR DEVICES AND ANY OTHER APPLICATIONS OR DEVICES CONNECTED TO THE SYSTEM.

11. **Confidentiality and Publicity.** Except as specifically provided in the Agreement, and except for disclosures required by Laws, Owner and Operator will (a) keep confidential and not disclose to any other person the terms of the Agreement; (b) keep confidential and not disclose to any other party any information that is provided by one party to the other in connection with the performance of the Agreement and that a reasonable person would presume to be confidential or that is conspicuously marked "confidential," "proprietary," or with words of similar import; (c) not disclose or use any such confidential information for any purpose other than performance of the Agreement; and (d) not make any public announcement or press release about the Agreement without the other's prior approval. Notwithstanding the foregoing, each party shall be entitled to (i) announce publicly and in business presentations that the parties have entered into a business arrangement under which Operator is providing its services to the Property, without disclosing any further specifics of the Agreement, and provided further that the disclosing party has obtained the other party's prior consent after such other party has had a reasonable opportunity to review the proposed announcement; and (ii) disclose the terms of the Agreement to its financial, legal, and other advisors, and to prospective lenders or purchasers of the Property or System, in each case on a need-to-know basis and provided that such recipients are obligated in writing to maintain the confidentiality of the terms of the Agreement without further disclosure to any other party.
12. **Notices.** Unless otherwise specified in the Agreement, all notices or other communications given in connection with the Agreement shall be in writing and shall be given by prepaid U.S. certified mail, return receipt requested, or nationally recognized overnight courier service to the applicable addresses set forth at the head of the Agreement or to any other address hereafter directed by a party in writing in compliance with this Section. If questioned, the party sending a notice shall have the burden to prove receipt or rejection. Rejected notices sent to the most recent address provided by a party pursuant to this Section shall be deemed delivered.

13. **Assignment.** Except as specifically permitted below, neither party shall assign the Agreement without the prior consent of the other. Operator may perform any of its obligations under the Agreement using its Authorized Representatives, but Operator shall remain responsible for the performance of such Authorized Representatives. Operator shall not be obligated to provide remuneration of any kind (monetary, in-kind, etc.) to any Owner assignee until a fully-executed, written assumption agreement is provided to Operator.
- 13.1 Affiliates; Business Change; Collateral.** Either party may assign the Agreement without notice to or consent from the other party to (a) any affiliate that is at least as capable as the assignor to perform its obligations under this Agreement during the Term; (b) any successor entity in the event of such party's transfer of all or substantially all of its assets or stock, merger, spin-off, consolidation, reorganization or other business combination; (c) a lender, as an assignment of collateral to secure credit extended to such party; or (d) in the case of Operator, to any entity that purchases Operator's assets used to provide Services in the Service Area.
- 13.2 Sale of Property.** If Owner sells or otherwise transfers the Property, Owner shall (a) promptly provide Operator with the name, address, telephone, and contact name of the new owner of the Property, as well as a fully-executed copy of such purchaser's written agreement to assume the Agreement; and (b) make the assumption of the Agreement by the new owner of the Property a condition of any sale, transfer or assignment of the Property. Provided that Owner is then current on all payments due to Operator, Owner will be relieved of any further liability or obligations to Operator under the Agreement that are attributable to the period after Operator has received such written assumption.
- 13.3 Associations.** Promptly upon the creation at any time of a resident-controlled owner's association for the Property ("Association"), Owner shall assign all of its rights and delegate all of its duties under the Agreement to the Association and shall cause the Association to assume the Agreement and all of Owner's rights and obligations hereunder. If the Agreement is, for any reason, not assumed by the Association within a reasonable time, not to exceed 180 days of its creation, then, upon notice from Operator, which may be provided at any time prior to such assumption by the Association, Owner shall pay to Operator the Termination Payment. Upon providing to Operator a copy of the Association's written assumption of all of Owner's obligations and duties under the Agreement, Owner will be relieved and released of any further liability or obligations to Operator attributable from and after the effective date of such assumption, and Association automatically will become "Owner" under the Agreement.
14. **Force Majeure Events.** Notwithstanding any contrary provision in the Agreement, (a) neither party shall be liable to the other or in breach of the Agreement for any delay or failure to perform under the Agreement if such delay or failure is the result, in whole or part, of any Force Majeure Event; and (b) Operator may, but shall not be required to, rebuild any portion of the Equipment substantially damaged or destroyed by a Force Majeure Event or other casualty. So long as the non-performing party diligently and continuously attempts to cure the non-performance caused by the Force Majeure Event, the Term and time for performance equitably shall be extended to account for the delay caused by the Force Majeure Event.
15. **Compliance with Laws; Governing Law; Waiver of Jury Trial.** The Agreement shall be subject to, and in the performance of their respective obligations under the Agreement the parties shall comply with, all Laws, and such compliance shall be deemed not to constitute a breach of the Agreement. Unless otherwise stated in the Agreement, nothing in the Agreement shall operate as a waiver of a party's rights under Laws. The Agreement shall be governed by the laws of the state in which the Property is located (the "State"), other than such Laws that would result in the application of the laws of a jurisdiction other than the State. The parties hereby submit to in-personam jurisdiction of the State and waive any objection to improper venue in the applicable federal and state courts located in the State. If Laws prohibit Owner from granting or Operator from obtaining any of the exclusive rights granted under the Agreement, then such rights automatically shall be deemed non-exclusive, but only to the extent and for so long as required by Laws. TO THE EXTENT NOT PROHIBITED BY LAWS, EACH PARTY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO, AND SHALL NOT REQUEST, A TRIAL BY JURY WITH RESPECT TO ANY CLAIM BROUGHT BY A PARTY AGAINST THE OTHER REGARDING ANY MATTER ARISING OUT OF OR RELATED TO THE AGREEMENT.
16. **Severability.** If any provision of the Agreement is found under Laws to be unenforceable, unreasonable or overbroad, then (a) the parties desire that such provision be enforced to the maximum extent it is deemed to be reasonable and not overbroad; (b) the parties desire that such provision be modified so that it is enforceable as nearly as possible to the intent of the original provision; (c) thereafter, the parties shall cooperate in good faith to amend such provision so that it is enforceable and meets the intent of the original provision as nearly as possible; and (d) the remainder of the Agreement shall be unaffected and shall continue in full force.
17. **Scope of Agreement; Modifications; Waivers.** The Agreement constitutes the entire agreement between Owner and Operator with respect to, and supersedes all other agreements and discussions, regardless of whether written or oral or contained in a prior proposal, relating to, the subject matter contained herein. The Agreement can be modified or changed only by a written instrument signed by both parties. The Agreement constitutes an agreement solely among the parties hereto, and is not intended to and will not confer any rights, remedies, obligations or liabilities, legal or equitable, on any person (including any User) other than the parties hereto and their respective successors or assigns, or otherwise constitute any person (including any User) a third party beneficiary under or by reason of the Agreement. A party's waiver of enforcement of any of the terms or conditions of the Agreement will be effective against such party only if contained in a written instrument signed by an authorized representative of such party. The waiver of a party's breach of the Agreement or failure to perform any covenant, condition or obligation shall not constitute or be construed to be a waiver of any succeeding breach or failure. No course of dealing or performance between the parties, nor any delay in exercising any rights or remedies, shall operate as a waiver of any of the rights or remedies of a party. The relationship between Owner and Operator is that of independent contractors, and not one of principal and agent, joint venture or partnership. Individuals employed by each party are not employees of the other, and the employing party assumes full responsibility for the acts and omissions of its own employees acting in the course and scope of employment. Each party has and retains the right to exercise full control of and supervision

over employment, direction, compensation, and discharge of its employees, including compliance with Social Security, withholdings, Workers' Compensation, unemployment, payroll taxes, and all other taxes and regulations governing such matters. Neither party shall have the right to enter into a contract or to bind the other.

18. **Taxes; IRS Form W-9.** Owner is solely responsible to pay all Taxes in connection with providing Operator with any space for the System, use of Internal Wiring, and/or receiving any form of compensation (monetary, in-kind, etc.) from Operator under the Agreement, except for Taxes based on Operator's income or business operations generally (e.g., employee withholdings, unemployment, social security, workers' compensation, etc.). "Taxes" means any taxes, assessments, fees, charges and other similar costs levied, assessed or imposed by any governmental authority with jurisdiction over a party, including personal property taxes, ad valorem, and real estate-related taxes. Owner shall provide a completed and signed IRS Form W-9 to Operator concurrently with its signature of the Agreement or Operator shall not be obligated to provide Owner with remuneration of any kind (monetary, in-kind, etc.) under the Agreement.
19. **Enforcement Costs.** If any proceeding is brought by a party to enforce or interpret any term or provision of the Agreement, then the prevailing party (that is, the party whose requested relief is closest to the relief finally obtained) in such proceeding will be entitled to recover, in addition to all other relief as set forth in the Agreement, that party's reasonable attorneys' and experts' fees and expenses.
20. **Rules of Construction.** For all purposes of the Agreement, except as otherwise specified elsewhere in the Agreement or unless the context clearly requires otherwise: (a) where the Agreement requires or contemplates, approval, acceptance, authorization, waiver, amendment, change or consent be given by a party, such actions shall be in writing and signed by an authorized signatory of such party, and shall not unreasonably be withheld, conditioned or delayed; (b) Section headings are for reference only and do not affect the interpretation of the Agreement; (c) the words "including," "included" and "includes" means inclusion without limitation; (d) references to "day(s)" means calendar day(s), and includes weekends and holidays, unless specifically stated otherwise (e.g., "business day(s)"); (e) if there are any conflicting or inconsistent terms among the Property-Specific Terms, the Subscriber Terms, and/or any Attachment, then the Property-Specific Terms shall control to the extent of such conflict or inconsistency, followed by the Subscriber Terms, but there is no order of precedence or governance among the Attachments (unless one Attachment specifically states that it supersedes another Attachment in whole or in part), and all terms contained therein shall be given equal importance when construing the intent of the parties; and (f) because each party has had reasonable opportunity to review the Agreement with its own legal counsel, the rule of construction under which ambiguities are resolved against the drafting party shall not apply.
21. **Survival.** The following Sections shall survive any termination or expiration of this Agreement: 2 (Right of Access, for the periods specified in such Section); 3.4 (Removal); 3.5 (Ownership, Maintenance and Use of Equipment); 3.6 (CPE); 3.7 (Property Restoration), for a period of 30 days after the Right of Access expires; 5.3 (Privacy and Compliance with Subscriber Terms); 8 (Indemnification), for a period of 6 months; 9.4 (Renewal Opportunity); 10 (Disclaimer of Warranties; Limitation of Liability; Assumed Risks); 11 (Confidentiality and Publicity); 12 (Notices); 15 (Compliance with Laws; Governing Law; Waiver of Jury Trial); 16 (Severability); 17 (Scope of Agreement; Modifications; Waivers); 18 (Taxes); 19 (Enforcement Costs); 20 (Rules of Construction); and 21 (Survival).

Owner Initials _____

Operator Initials _____

16168327.08 - 4/15/2021

INTERNAL WIRING (OWNER INSTALL OR UPGRADE) ATTACHMENT

1. **Installation.** To the extent not already existing and operational, Owner shall, at its sole cost, furnish and install, or upgrade, the Internal Wiring and any Pathways to house the Internal Wiring in compliance with Laws (including Laws that apply to Operator's use of the Internal Wiring to deliver Services, such as signal leakage requirements) and the Plans, in consultation with Operator, and in compliance with any specifications provided by Operator to Owner in writing.
2. **Operator Inspection.** If the Internal Wiring already is installed and operational, then Owner shall provide Operator with a reasonable opportunity to inspect and test the Internal Wiring prior to performing any of its obligations under the Agreement. If Owner is installing or upgrading the Internal Wiring, then Owner shall notify Operator when such installation or upgrading is complete and provide Operator with a reasonable opportunity to inspect and test the Internal Wiring. If Operator identifies any deficiencies in the Internal Wiring, then Operator shall notify Owner and Owner promptly shall correct such deficiencies to Operator's reasonable satisfaction and provide Operator the opportunity to again inspect and test the Internal Wiring, after which the process stated in this Section shall be repeated until Owner has corrected all deficiencies in the Internal Wiring. Operator shall not be obligated to provide any Services unless and until Operator (a) has inspected, tested and approved the Internal Wiring as meeting the installation or upgrade requirements of this Attachment; and (b) has been granted access to and use of the Internal Wiring to provide Services.
3. **Ownership and Use.** The Internal Wiring is a fixture of the Property and shall at all times remain the personal property of Owner. Owner hereby grants to Operator the exclusive right to access, use, maintain, repair, replace and upgrade the Internal Wiring during the Term. Owner shall not, and Owner shall not permit any third party to, access, move, use or interfere with the Internal Wiring. If Owner is an Association and is prohibited from granting Operator the exclusive right to use all of any part of the Internal Wiring, then such use right shall be non-exclusive and/or pursuant to use rights granted to Operator directly by Users. If the exclusive use rights granted to Operator in this Section become unenforceable under Laws, then such use rights automatically shall become non-exclusive for so long as and to the extent required by Laws, in which case Owner shall not authorize or permit any other provider, entity or person to concurrently use any portion of the Internal Wiring during any period that Operator is using such Internal Wiring to provide Services to a User.
4. **Maintenance, Repair and Upgrading.** Operator, at its sole cost, shall conduct routine maintenance and repairs of any Internal Wiring during any period that Operator is using such Internal Wiring to provide Services to a User. Operator is not obligated to replace or upgrade any Internal Wiring, but if Operator determines, in its sole discretion, that the replacement or upgrade of Internal Wiring is necessary to continue providing Services, and if Owner agrees in writing to pay 50% of Operator's costs of such replacement or upgrade, then Operator shall complete such replacement or upgrade and such replaced or upgraded Internal Wiring shall be subject to all of the terms of this Attachment. The foregoing sentence does not apply where Owner is an Association.

16191873.02 – 4/10/2021

PROPERTY MANAGEMENT AGREEMENT
BETWEEN
THE EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION
AND
NEIL R. CADMAN DBA CADMAN GROUP

This Agreement is entered into this -1st- day of October, 2004, by and between the EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION, a California nonprofit public benefit corporation ("OWNER") and NEIL R. CADMAN, an individual dba the Cadman Group ("MANAGER").

Section 1: APPOINTMENT

1.1 ACCEPTANCE

OWNER contracts with MANAGER to lease and manage the property described in paragraph 1.2 upon the terms and conditions set forth in this Agreement. MANAGER accepts the appointment and agrees to furnish the services of its organization for the leasing, management, repair, maintenance and landscaping of the Premises.

1.2 DESCRIPTION OF PREMISES

The property to be managed by MANAGER under this Agreement (the "Premises") is known as Park Vista, located at 615 E. Holly Ave., El Segundo, CA 90245, consisting of the land, buildings and other improvements described as an elderly housing project for independent living in the State of California.

1.3 ADDITIONAL SCOPE OF SERVICES

Subject to the hierarchy of interpretation set forth in Section 29, the Proposed Services set forth on pages 3-8 of the attached MANAGER's Proposal for Services dated July 13, 2004 are specifically incorporated by reference into this Agreement and constitute part of the scope of services contemplated by this Agreement.

1.4 TERM

The term of this Agreement is for three (3) years from the effective date to and including September 30, 2007, subject to the provisions set forth in Section 19 regarding termination.

1.5 PERFORMANCE STANDARDS

While performing this Agreement, MANAGER will use the appropriate generally accepted professional standards of practice existing at the time of performance utilized by persons engaged in providing similar services. OWNER will notify MANAGER of any deficiencies and MANAGER will have fifteen (15) days after such notification to cure any shortcomings to OWNER's satisfaction. Costs associated with curing the deficiencies will be borne by MANAGER.

1.6 MANAGEMENT OFFICE

OWNER must provide adequate space on the Premises for a management office. OWNER must pay all expenses related to maintaining, but not staffing, such office, including, without limitation, furnishings, equipment, postage and office supplies, electricity, utilities and telephone for business usage only.

1.7 APARTMENT FOR ON-SITE STAFF

OWNER must provide a suitable apartment on the Premises for the use of an on-site manager, rent-free, except that resident staff must pay for heat, utilities and telephone in the same manner as other tenants. The on-site manager's specific apartment may be selected by OWNER.

1.8 ASSIGNABILITY.

This Agreement is for MANAGER's professional services. MANAGER's attempts to assign the benefits or burdens of this Agreement without OWNER's written approval are prohibited and will be null and void.

Section 2: BANK ACCOUNTS

The operating account established under this Agreement may be with a bank selected by MANAGER and must at all times be in the name of, and owned by, OWNER, but under MANAGER'S control. MANAGER'S designees are the only parties authorized to draw upon such account. However, MANAGER'S monthly management fee and all other checks in amounts in excess of \$1,999.99 must be countersigned by OWNER's President and/or Chief Financial Officer. No amounts in any accounts established under this Agreement may, in any event, be commingled with any other funds of MANAGER or its other clients.

2.1 OPERATING (AND/OR) RESERVE ACCOUNT(S)

MANAGER will assume responsibility for previously established operating account(s) known as the El Segundo Senior Housing Corporation Operating account, at a local bank to be used for the deposit of receipts collected which deposits are insured by the federal government. Any other depository which may be used in the future will be selected by OWNER. MANAGER will not be held liable in the event of the bankruptcy or failure of any institution selected by OWNER. Funds in the Operating (and/or) Reserve Account(s) remain the property of OWNER subject to disbursement of operating expenses by MANAGER as described in this Agreement. MANAGER must remit to OWNER, or directly deposit to a Reserve Account established by OWNER, the monthly Reserve amount from the rental receipts.

2.1.1 INITIAL DEPOSIT AND CONTINGENCY RESERVE

Immediately upon commencing this Agreement, MANAGER will be authorized to access the Operating Account at a local bank. MANAGER may conduct its own audit of the Operating Account. A contingency reserve account will be maintained by OWNER. Those funds may be used by the officers and/or directors of OWNER for the management and benefit of the Premises.

2.2 SECURITY DEPOSIT ACCOUNT

MANAGER must, if required by law, maintain a separate interest bearing account for tenant security deposits and advance rentals. Such account must be maintained in accordance with applicable state or federal laws. MANAGER must obtain all existing security deposits from OWNER's former management contractor.

2.3 FIDELITY BOND

MANAGER must cause all personnel who handle or are responsible for the safekeeping of OWNER's monies to be insured by a fidelity bond in the amount of at least \$100,000.00 with a company selected by MANAGER. Such bond will be secured at OWNER's expense and OWNER and its Board of Directors will be named as an additional insured thereon.

Section 3: COLLECTION OF RENTS AND OTHER RECEIPTS

3.1 MANAGER'S COLLECTION AND BANKING AUTHORITY

MANAGER must collect and receipt for all rents, charges and other amounts receivable on OWNER's account in connection with the management and operation of the Premises. Such receipts (except tenants' security deposits and advance rentals, which must be handled as specified in paragraphs 2.2 and 2.3; and special charges, which must be handled as specified in paragraph 3.2) must be deposited in the Operating (and/or) Reserve Account(s) maintained for the benefit of the Premises.

3.2 SPECIAL CHARGES

If permitted by applicable law, MANAGER may collect from tenants any or all of the following: an administrative charge for late payment of rent, a charge for returned or non-negotiable checks, credit reports, physicians and medical reports and all other expenses associated with people desiring to qualify to live on the Premises.

Section 4: SECURITY DEPOSITS

MANAGER must collect, deposit, and disburse tenants' security deposits in accordance with the terms of each tenant's lease. MANAGER must pay tenants interest upon such security deposits only if required by law to do so. MANAGER must comply with all applicable state or local laws concerning the responsibility for security deposits and interest.

Section 4 DISBURSEMENTS FROM OPERATING ACCOUNTS

4.1 OPERATING EXPENSES

Subject to the terms set forth in section 2 and as otherwise provided, MANAGER is authorized to pay the daily costs of operating the Premises.

4.2 NET PROCEEDS

To the extent that funds are reasonably available, MANAGER must transmit the cash balance of the Operating Account to OWNER to be deposited in an account designated by OWNER. Such periodic cash balances must be remitted to OWNER's President and/or Chief Financial Officer at their then current addresses.

Section 5: MANAGER NOT REQUIRED TO ADVANCE FUNDS

In the event that the balance in the operating Account(s) is at any time insufficient to pay disbursements, OWNER must, immediately upon notice, remit to MANAGER, sufficient funds to cover the deficiency. In no event is MANAGER required to use its own funds to pay such disbursements nor is MANAGER required to advance any monies to the OWNER's Security Deposit or the Operating Account(s).

Section 6: FINANCIAL AND OTHER REPORTS

6.1 MONTHLY FINANCIAL REPORT

Seven (7) calendar days before each monthly board meeting MANAGER must furnish the members of OWNER's board of directors with a monthly financial statement of delinquent accounts, cash receipts and disbursements from the operation of the Premises during the previous month. In addition, seven (7) calendar days before each monthly board meeting, MANAGER must, on a mutually acceptable schedule, prepare and submit to OWNER such other reports as may be required by OWNER.

6.2 OWNER'S RIGHT TO AUDIT

OWNER has the right to conduct periodic audits of all applicable accounts managed by MANAGER. The cost of such audit will be borne by OWNER unless a discrepancy is found between the actual amount of monies owed to OWNER and the amount reported by MANAGER in its financial reports filed with OWNER. If such discrepancy amounts to more than five percent (5%) in underreported rents, or other monies, MANAGER will pay all costs of such an audit. MANAGER will remit to OWNER the amount of such underreported monies.

6.3 ANNUAL BUDGET

OWNER's Annual Operating Budget will be prepared by MANAGER with OWNER's Chief Financial Officer to be submitted to the OWNER Board of Directors before October 15, of each year for approval. OWNER must promptly inform MANAGER of any changes in the draft Budget proposal. MANAGER must keep OWNER informed of any real or anticipated deviations from the receipts or disbursements as set forth in the previous years approved budget.

6.4 PREPARATION COSTS

The preparation cost of all reports, bookkeeping, clerical and other management overhead, including without limitation, costs of office supplies (excluding on-site office supplies) equipment, data processing services, postage (excluding postage for checks to creditors), transportation for managerial personnel and telephone services, will be paid by MANAGER from its management fees and is not an OWNER expense.

Section 7: ADVERTISING

With OWNER's prior approval, MANAGER may be authorized to advertise the Premises or portions for rent, using periodicals, signs, plans, brochures, or displays, or such other means as MANAGER may deem proper and advisable, provided such advertising and such signs comply with applicable laws. The cost of such advertising may be paid out of OWNER's Operating Account. All advertising must clearly state that MANAGER is the manager and not the Owner of the Premises. Newspaper ads cannot share space with other properties managed by MANAGER.

Section 8: LEASING AND RENTING

8.1 MANAGER'S AUTHORITY TO LEASE PREMISES

MANAGER must use all reasonable efforts to keep the Premises rented by procuring tenants for the Premises according to the rules and regulations established by OWNER. MANAGER is otherwise authorized to prepare and execute all leases on behalf of OWNER, including renewals

and extensions of leases (and expansions of space in the Premises, if applicable) and to cancel and modify existing leases. For this purpose only, MANAGER may execute all leases as OWNER's agent. OWNER must approve the form of the lease used by MANAGER.

8.2 NO OTHER RENTAL AGENT

During the term of this Agreement, OWNER agrees not to authorize any other person, firm or corporation to negotiate or act as leasing agent with respect to the letting of the Premises.

8.3 ENFORCEMENT OF LEASES

MANAGER is authorized to institute, in OWNER's name, all legal actions or proceedings for the enforcement of any lease term, for the collection of rent or other income from the Premises, or for the evicting or dispossessing of tenants or other persons from the Premises. MANAGER is authorized to sign and serve such notices as MANAGER deems necessary for lease enforcement, including the collection of rent or other income. MANAGER is authorized, with OWNER's prior approval, to settle, compromise, and release such legal actions or suits and to reinstate tenancies. Any monies for such settlements paid out by MANAGER cannot not exceed \$1,000.00 without OWNER's prior approval. Attorneys' fees, filing fees, court costs, and other necessary expenses incurred in connection with such actions and not recovered from tenants may be paid out of the Operating and/or Reserve Account(s). MANAGER may, subject to OWNER board of directors' prior approval, select the attorney of its choice to handle such litigation.

Section 9: EMPLOYEES

9.1 MANAGER'S AUTHORITY TO HIRE

MANAGER may hire, supervise, discharge, and pay all servants, employees, contractors, or other personnel from its management fee, to perform the normal day to day management, maintenance, landscaping and operation of the Premises.

9.2 MANAGER TO PAY ALL EMPLOYEE EXPENSES

Unless indicated in the yearly budget, with the exception of onsite employees (Manager and Secretary), all wages and fringe benefits payable to such servants, employees, contractors and/or other personnel hired per paragraph 9.1 above, and all local, state, and federal taxes and assessments (including without limitation Social Security taxes, unemployment insurance, withholding and workers' compensation insurance) incident to the employment of such personnel, shall be paid by MANAGER out of its management fee.

9.3 MANAGER'S AUTHORITY TO FILE RETURNS

MANAGER may do and perform all acts required of an employer with respect to the Premises and execute and file all W-2, 1099, employee quarterly, all tax and other returns required under applicable federal, state and local laws, regulations, and/or ordinances governing employment, in addition to all other statements and reports pertaining to labor employed in connection with the Premises and according to any similar federal or state law now or hereafter in force. In connection with such filings, OWNER may upon request, promptly execute and deliver to MANAGER all necessary powers of attorney, notices of appointment, and the like. MANAGER is responsible for all amounts required to be paid under the foregoing laws and MANAGER must pay the same from the management fees that it receives under the terms of this Agreement.

9.4 HOLD HARMLESS, LABOR LAWS

MANAGER is responsible for complying with all applicable state and federal labor laws. MANAGER will indemnify, defend, and save OWNER and its Board of Directors and the City of El Segundo harmless from all claims, investigations, and suits, from MANAGER'S actions or failures to act, with respect to any alleged or actual violation of state or federal labor laws. MANAGER'S obligation with respect to such violation(s) includes payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, litigation expenses, and attorneys' fees.

9.5 ACCEPTANCE OF GIFTS AND/OR GRATUITIES

MANAGER's employees are prohibited from accepting any gratuity, gift, or compensation directly from any resident of the Premises for any services rendered.

Section 10: MAINTENANCE, INSPECTIONS & REPORTS

10.1 MAINTENANCE REQUIREMENTS

MANAGER will cause the Premises to be maintained and repaired in accordance with local codes and in a condition that is at all times acceptable to OWNER, including, without limitation, cleaning, painting, decorating, plumbing, carpentry, grounds care and such other matters as from time to time may be required. MANAGER will use its employed maintenance personnel to perform all janitorial tasks and make all reasonably necessary repairs and replacements for the proper, efficient operation of, and to otherwise preserve, the Premises in its present condition. Subject to the prior approval of OWNER, MANAGER will make all alterations necessary to comply with lease and insurance requirements, statutory and governmental regulations. MANAGER will furnish experts, at OWNER's request and expense, to conduct periodic examinations, provide written reports and recommendations to insure OWNER's satisfactory compliance with those requirements set forth above.

10.2 ON-SITE MAINTENANCE SPECIFICS

MANAGER must give special attention to preventive maintenance, and to the greatest extent feasible, the services of MANAGER maintenance personnel must be used to perform maintenance, repairs, landscaping, inspections and reports. Subject to OWNER's prior approval, MANAGER may contract with qualified independent contractors for the maintenance and repair of equipment, systems and the like, which are beyond the capability of MANAGER'S maintenance employees. MANAGER will systematically and promptly investigate all service requests from tenants, take such action thereon as may be justified and keep records and report same at the monthly OWNER Board of Directors meeting. Emergency requests must be received and serviced on a 24-hour basis. Complaints of a serious nature will be reported to the OWNER board of Directors after investigation.

10.3 APPROVAL FOR EXCEPTIONAL MAINTENANCE EXPENSE

The expense to be incurred for any one item of maintenance, alteration, refurbishing, or repair cannot exceed the sum of \$300.00, unless such expense is first specifically authorized by OWNER, or is incurred under such circumstances as MANAGER reasonably deems to be an emergency. MANAGER is authorized to negotiate contracts for nonrecurring items of expense, not to exceed \$300.00. MANAGER must solicit written cost estimates (bids) from at least three contractors or

suppliers for any work item, maintenance, repair or appliance which can reasonably be expected to cost \$301.00 or more, regardless of rebates, and submitted to OWNER for prior approval. However, for budgeted appliance purchases MANAGER need not solicit written cost estimates for each appliance to be purchased. Rather, for such purchases MANAGER need only solicit written cost estimates twice annually.

All employees, contractors or other personnel that perform work or services at the Premises are deemed to be MANAGER's employees, except those independent contractors whose contracts are first approved by OWNER's Board of Directors. In an emergency where repairs are immediately necessary for the preservation and safety of the Premises, or to avoid danger to life or property, or to comply with federal, state, or local law, such emergency repairs may be made by MANAGER at OWNER's expense without prior approval.

Section 11: RELATIONSHIP OF MANAGER TO OWNER

The relationship of the parties pursuant to this Agreement is that of Principal and Independent Contractor. Except those authorized actions taken by MANAGER on behalf of OWNER pursuant to the terms of this Agreement, MANAGER is not OWNER's Agent. Nothing in this Agreement may be construed as creating a partnership, joint venture, or any other relationship between the parties to this Agreement. MANAGER bears the responsibility, loss and damage arising out of or connected with the hiring and/or supervision of its employees and operation of the Premises. The employees and contractors of MANAGER during the period of this Agreement are not and will not be considered to be the direct employee of OWNER, its board of directors or the City of El Segundo. Neither party has the power to bind or obligate the other, except as expressly set forth in this Agreement, except that both parties are authorized to act with such additional authority and power as may be necessary to carry out the spirit and intent of this Agreement.

Section 12: INDEMNIFICATION.

12.1 MANAGER agrees to the following:

12.1.1 *Indemnification for Professional Services.* MANAGER will save harmless and indemnify and at OWNER's or CITY's request reimburse defense costs for OWNER or CITY from and against any and all suits, actions, or claims, of any character whatever, brought for, or on account of, any injuries or damages sustained by any person or property resulting or arising from any negligent or wrongful act, error or omission by MANAGER or any of MANAGER's officers, agents, employees, or representatives, in the performance of this Agreement.

12.1.2 *Indemnification for other Damages.* MANAGER indemnifies and holds OWNER and CITY harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising out of this Agreement, or its performance. Should OWNER or CITY be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of this Agreement, or its performance, MANAGER will defend OWNER or CITY (at OWNER's or CITY's request and with counsel satisfactory to OWNER or

CITY, as applicable) and will indemnify OWNER or CITY, as applicable, for any judgment rendered against it or any sums paid out in settlement or otherwise.

12.2 For purposes of this section "OWNER" includes OWNER's officers, officials, employees, agents, representatives, and volunteers.

12.3 For purposes of this section "CITY" is the city of El Segundo, its officers, officials, employees, agents, representatives, and volunteers.

12.4 It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement.

Section 13: LIABILITY INSURANCE

13.1 OWNER'S LIABILITY INSURANCE

OWNER will obtain and keep in force and effect, adequate insurance against physical damage (e.g., fire with extended coverage endorsement, boiler and machinery, etc.) and against liability for loss, damage, or injury to property or persons which might arise out of the occupancy, management, operation, or maintenance of the Premises. Any deductible required under such insurance policies are at OWNER's expense. MANAGER will be covered as an additional insured on all liability insurance maintained with respect to the Premises. OWNER agrees to furnish MANAGER with two (2) copies of insurance endorsements, certificates or duplicate copies of such policies evidencing such coverage within sixty (60) days of the effective date of this Agreement. Said policies will provide that notice of default or cancellation must be sent to both parties and require a minimum of thirty (30) days' written notice before any cancellation of/or changes to said policies except for cancellation due to nonpayment.

13.2 INSURANCE

13.2.1 MANAGER, as Managing Agent of OWNER, must maintain on behalf of OWNER and at the expense of OWNER, the following insurance policies:

13.2.1.1 Fire with extended coverage with coverage on buildings in an amount not less than \$4,859,500 and coverage on contents of not less than \$24,100 with a deductible amount not to exceed \$1,000.

13.2.1.2 Earthquake coverage in an amount not less than \$4,859,500 with a deductible amount of not more than ten percent (10%) of the total coverage.

13.2.1.3 General Liability coverage in an amount not less than \$1,000,000 single limit and \$2,000,000 annual aggregate.

13.2.1.4 Umbrella Liability coverage in an amount of not less than \$1,000,000 single limit and \$2,000,000 annual aggregate.

13.2.1.5 Directors & Officers Liability (Professional Liability) in an amount of not less than \$1,000,000 aggregate inclusive of defense expenses.

13.2.1.6 Fidelity bond covering all employees of MANAGER who handle funds, including all such employees assigned to Park Vista.

13.2.2 In addition to the above coverages, MANAGER must maintain at its own expense the following insurance coverages:

13.2.2.1 Commercial General Liability coverage in an amount not less than \$1,000,000. The amount of insurance will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies must be endorsed as required by this Section and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by OWNER will be excess thereto. Insurance must be on an "occurrence," not a "claims made," basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to OWNER.

13.2.2.2 Employers Automobile Non Ownership Liability coverage in an amount of not less than \$ 1,000,000 covering all employees assigned to OWNER who use their personal automobiles for OWNER business. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).

The insured parties in connection with all of the above policies must include the following: The City of El Segundo, its elected and appointed officials; employees; agents; officers; and the El Segundo Senior Citizen Housing Corporation, its Board, its employees, agents, officers, directors, and appointed officials.

13.2.2.3 Workers Compensation coverage in accordance with California law.

13.2.2.4 Should MANAGER, for any reason, fail to obtain and maintain the insurance required by this Agreement, OWNER may obtain such coverage at MANAGER's expense and deduct the cost of such insurance from payments due to MANAGER under this Agreement or terminate the Agreement.

13.2.3 All of the above policies must be kept in force during the term of this Agreement and contain a cancellation clause reading in substance as follows: "It is agreed that this policy cannot be canceled nor the amounts of coverage provided herein reduced until thirty (30) days after the OWNER Board of Directors receives written notice as to such cancellation or reduction." In the event that MANAGER is advised by one or more of the insurers that it will no longer provide such coverages, MANAGER must immediately advise OWNER's President that it can no longer

provide such coverages and request instructions from the Board as to what action to take with regard to replacement of such coverages.

13.2.4 All of the above policies must be written by an insurance company licensed to do business in California with a "Best's Rating" of not less than A XIII.

13.2.5 Two (2) copies of all of the policies set forth above must be sent to the President of the El Segundo Senior Citizen Housing Board, c/o The City of El Segundo, 350 Main St., El Segundo, CA 90245.

13.2.6 MANAGER will maintain with the City certificates of insurance evidencing current coverage for MANAGER'S General Liability coverage, MANAGER'S Workers Compensation coverage, MANAGER'S Employers Automobile Non Ownership Liability coverage and MANAGER'S Fidelity Bond.

Section 14: MANAGER ASSUMES NO LIABILITY FOR ACTS OF OWNER

MANAGER assumes no liability, whatsoever for any acts or omissions of OWNER, its board of directors, any previous owners of the Premises or any previous management or other agent of either. MANAGER assumes no liability for any failure of or default by any tenant in the payment of any rent or other charges due OWNER or for the performance of any obligations owed by any tenant to OWNER pursuant to any lease or otherwise. Nor does MANAGER assume any liability for any violations of environmental or other regulations, which occurred before MANAGER'S entering into this agreement. Any such regulatory violations or hazards discovered by MANAGER must be brought to OWNER's attention in writing, and OWNER must promptly cure them.

Section 15: MANAGER'S COMPENSATION AND EXPENSES

As compensation for the services provided by MANAGER under this Agreement (and exclusive of reimbursement of expenses to which MANAGER may be entitled hereunder), OWNER will pay MANAGER as follows:

15.1 FEE FOR MANAGEMENT SERVICES

For its proper performance of all the services as set forth herein, MANAGER will be paid the fee of eleven thousand two hundred twenty-four dollars (\$11,224) per month. Management fees may be increased or otherwise modified in subsequent years by written addenda to this Agreement.

15.2 FOR APARTMENT LEASING

None. Included in 15.1.

Section 16: REPRESENTATIONS

OWNER represents and warrants: That OWNER has full power and authority to enter this Agreement; that there are no written or oral agreements affecting the Premises other than tenant leases, copies of which were furnished to MANAGER; that there are no recorded easements, restrictions, reservations, or rights of way which adversely affect the use of the Premises for the purposes intended under this Agreement; that to the best of OWNER's knowledge, the property is zoned for the intended use; that all leasing and other permits for the operation of the Premises were secured and are current; that the building and its construction and operation do not violate any

applicable statutes, laws, ordinances, rules, regulations, orders, or the like (including, without limitation, those pertaining to hazardous or toxic substances); that the building does not contain any asbestos, urea, formaldehyde, radon, or other toxic or hazardous substance; and that no unsafe condition exists.

Section 17: STRUCTURAL CHANGES

OWNER expressly withholds from MANAGER any power or authority to make any structural changes in any building, or to make any other major alterations or additions in or to any such building, or to any equipment in any such building, or to incur any expense chargeable to OWNER other than expenses related to exercising the express powers vested in MANAGER through this Agreement, without the prior written consent of OWNER's Board of Directors. However, such emergency repairs as may be required because of danger to life or property, or which are immediately necessary for the preservation and safety of the Premises or the safety of the tenants and occupants t, or required to avoid the suspension of any necessary service to the Premises, or to comply with any applicable federal state, or local laws, regulations, or ordinances, shall be authorized pursuant to the appropriate paragraphs of this Agreement, and MANAGER must notify OWNER accordingly.

Section 18: BUILDING COMPLIANCE

Except as otherwise provided, MANAGER assumes no liability, and is given no responsibility for compliance of the Premises, or any equipment therein, with the requirements of any building code, statute, ordinance, law, or regulation of any governmental body or of any public authority or official t having jurisdiction t, except to notify OWNER promptly or to forward to OWNER promptly any complaints, warnings, notices, or summonses received by MANAGER relating to such matters. OWNER represents that to the best of its knowledge the Premises and all such equipment comply with all such requirements.

Section 19: TERMINATION.

19.1 Except as otherwise provided, OWNER may terminate this Agreement at any time with or without cause.

19.2 MANAGER may terminate this Agreement at any time upon thirty (30) days notice.

19.3 Upon receiving a termination notice from OWNER, MANAGER will immediately cease performance under this Agreement unless otherwise provided in the termination notice. Except as otherwise provided in the termination notice, any additional work performed by MANAGER after receiving a termination notice will be performed at MANAGER's own cost; OWNER is not obligated to compensate MANAGER for such work.

19.4 Should termination occur, all finished or unfinished documents, reports and other materials prepared by MANAGER will, at OWNER's option, become OWNER's property, and MANAGER will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination.

19.5 Should the Agreement be terminated pursuant to this Section, OWNER may procure on its own terms services similar to those terminated.

19.6 By executing this document, MANAGER waives any and all claims for damages that might otherwise arise from OWNER's termination under this Section.

Section 20: HEADINGS AND ATTACHMENTS

All headings and subheadings employed within this Agreement are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

Section 21: FORCE MAJEURE.

Should performance of this Agreement be prevented due to fire, flood, explosion, acts of terrorism, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' reasonable control, then the Agreement will immediately terminate without obligation of either party to the other.

Section 22: ENTIRE AGREEMENT.

This Agreement, and its Attachments, sets forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral or written. There are two (2) Attachments to this Agreement: the Request for Proposals #04-05 and MANAGER's Proposal, both of which are incorporated by reference. This Agreement will bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns.

Section 23: RIGHTS CUMULATIVE; NO WAIVER

No right or remedy herein conferred on or reserved by either of the parties to this Agreement is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given under this Agreement or now or hereafter legally existing upon the occurrence of an event of default under this Agreement. The failure of either party to insist at any time on the strict observance or performance of any of the provisions of the Agreement, or to exercise any right or remedy as provided in the Agreement, does not impair any such right or remedy or be construed as a waiver or relinquishment of such right or remedy with respect to subsequent defaults. Every right and remedy given by this Agreement to the parties to it may be exercised from time to time and as often as may be deemed expedient by those parties.

Section 24: NOTICES.

All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

If to MANAGER:
Cadman Group
214 Main Street, #361
El Segundo, CA 90245

If to OWNER:
El Segundo Recreation and Parks Dept.
339 Sheldon Street
El Segundo, CA 90245

Attention: Neil R. Cadman

Attention: Park Vista Board of Directors

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Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

Section 25: RULES OF CONSTRUCTION.

Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.

Section 26: INDEPENDENT CONTRACTOR.

OWNER and MANAGER agree that MANAGER will act as an independent contractor and will have control of all work and the manner in which it is performed. MANAGER will be free to contract for similar service to be performed for other employers while under contract with OWNER. MANAGER is not an agent or employee of OWNER and is not entitled to participate in any pension plan, insurance, bonus or similar benefits OWNER provides for its employees. Any provision in this Agreement that may appear to give OWNER the right to direct MANAGER as to the details of doing the work or to exercise a measure of control over the work means that MANAGER will follow the direction of the OWNER as to end results of the work only.

Section 27: TAXPAYER IDENTIFICATION NUMBER.

MANAGER will provide OWNER with a Taxpayer Identification Number.

Section 28: NON-APPROPRIATION OF FUNDS. Payments due and payable to MANAGER for current services are within the current budget and within an available, unexhausted and unencumbered appropriation of the OWNER. In the event the OWNER has not appropriated sufficient funds for payment of MANAGER's services beyond the current fiscal year, this Agreement will cover only those costs incurred up to the conclusion of the current fiscal year.

Section 29: CONSISTENCY. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the attached Exhibits; this Agreement supersedes any conflicting provisions. Any inconsistency between the Exhibits will be resolved in the order in which the Exhibits appear below:

29.1 Exhibit A: Request for Proposals #04-05;

29.2 Exhibit B: MANAGER's Proposal for Services dated July 13, 2004.

Section 30: THIRD PARTY BENEFICIARIES. This Agreement and every provision herein is generally for the exclusive benefit of MANAGER and OWNER and not for the benefit of any other party. However, the Parties agree that the city of El Segundo is an intended third-party beneficiary to this Agreement and may enforce MANAGER's obligations under this Agreement. Other than the city of El Segundo, there will be no incidental or other beneficiaries of any of MANAGER's or OWNER's obligations under this Agreement.

Section 31: AGREEMENT BINDING UPON SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon the parties hereto and their respective personal representatives, heirs, administrators, executors, successors, trustees and assigns.

Section 32: AUTHORITY/MODIFICATION.

The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment.

Section 33: ACCEPTANCE OF FACSIMILE SIGNATURES.

The Parties agree that this Agreement, agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature will be treated in all respects as having the same effect as an original signature.

Section 34: SEVERABILITY.

If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.

Section 35: COMPLIANCE WITH LAW.

MANAGER agrees to comply with all federal, state, and local laws applicable to this Agreement.

Section 36: INTERPRETATION.

This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have affixed their respective signatures this ___ day of October, 2004.

EL SEGUNDO SENIOR CITIZENS
HOUSING DEVELOPMENT CORPORATION

Peter C Freeman
President

Paula Polak
Chief Financial Officer

NEIL R. CADMAN dba
THE CADMAN GROUP

Neil R. Cadman
Neil R. Cadman

Taxpayer ID: 95-4544463

Approved as to Form:
Mark D. Hensley, City Attorney
City of El Segundo

By: Karl H. Berger
Assistant City Attorney

SCANNED

RFP #04 - 05**Proposal for Management Services****El Segundo Park Vista Senior Housing Complex****Cadman Group****Table of Contents**

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July 13, 2004

El Segundo Senior Citizens Housing Corporation
City Clerk's Office, City Hall
350 Main Street, Room 5
El Segundo, CA 90245-3813

RE: RFP #04 – 05

Dear El Segundo Senior Citizens Housing Corporation:

Enclosed is the Cadman Group's proposal to manage the Park Vista Senior Housing Facility.

On behalf of the staff of the Cadman Group, I am pleased to provide you with this proposal and work with the Corporation during the selection process to highlight the management philosophies and company policies that make the Cadman Group a quality, local professional property management company.

The Cadman Group is primarily a multi-family commercial management company, and we have experience operating a non-HUD senior housing facility in Long Beach, California. The owners of the company are homeowners and business owners in El Segundo; I believe these qualifications make the Cadman Group a viable candidate to be chosen to manage the facility.

The following proposal has been designed to be brief and succinct. Most property management companies that propose to manage a facility of Park Vista's size are qualified on paper to adequately handle the duties as such, however the true test of a company's abilities are found during the interview process and client references.

My hope is that you will find this proposal an adequate representation of our qualifications and will grant us the pleasure of continuing in the selection process.

Please feel free to contact me direct at 310-606-5894 ext. 15 if you have any questions or comments regarding the proposal.

Thank you for your time.

Sincerely



Neil R. Cadman
Owner, Cadman Group

Section 1: Executive Summary

This proposal is designed to give the El Segundo Senior Citizens Housing Corporation an overview of the management philosophies and procedures the Cadman Group employs in the course of day-to-day management of client's property holdings.

Section 2 of the Proposal is a listing of all duties both at the site level and off-site or administrative level the Cadman Group can perform on behalf of the El Segundo Senior Citizens Housing Corporation (hereinafter referred to as "Corporation"). The property management business is an adaptive industry; the duties performed by a management company are never complete and are always changing. The Cadman Group has been developed to be a full service property management company designed to adapt to individual client's needs.

Section 3 is designed to give the Corporation an understanding of Neil R. Cadman, his background, qualifications, philosophy toward commercial real estate management, client and tenant services and how Neil Cadman's philosophy is the driving force behind the Cadman Group's day-to-day management goals and procedures.

Section 4 describes risk, or risk avoidance, insurance coverage, and contractual obligations associated with operating a commercial property management organization and managing for a public entity.

Section 5 is an acknowledgement that the Cadman Group understands the obligations associated with this proposal and potential management duties.

Sections 6 and 7 describe the financial strength of Neil R. Cadman and Cadman Group and certifies the Representations and Certifications form.

Section 8 describes the fees associated with the management operation of the facility.

Section 2: Description of Proposed Services

The Cadman Group proposes the following services in accordance with the published RFP #04 -05 needs, the Cadman Group's policies and procedures and for providing quality management to ownership, residents, and staff of a non-HUD senior housing facility.

Site Management Services:

1. Provide on-site management for the facility, twenty-four hours per day, seven days per week in the form of a resident manager that lives at the facility and is the employee of the Cadman Group. Said employee shall receive a monthly salary plus benefits as described in Section 8 of this proposal. The Cadman Group shall train manager on an on-going basis and the on-site manager shall have immediate, open communication with appropriate administrative staff members. On-site manager shall be supervised on a daily basis by the property supervisor, bookkeeper, and other administrative staff.
2. Provide two alternating individuals (assistant managers) who shall be "on-call" to provide site management services. Said individuals shall be on-site when on duty and shall be current or future residents of the facility. Said compensation for each individual shall be in the form of a rent reduction and shall be contracted with the Cadman Group as independent contractors. Said assistant managers shall be part-time employees and shall not receive benefits nor pay from the Cadman Group. Said assistant managers shall be trained on an on-going basis by the Cadman Group and assistant managers shall have immediate, open communication with appropriate administrative staff members.
3. Provide a full-time maintenance worker at the facility Monday through Friday 8:00 AM to 5:00 PM. Said worker shall be an employee of the Cadman Group and will have a minimum one year experience with trades including, but not limited to, plumbing repair, drywall, painting, electrical, and general construction. Said employee shall be able to communicate effectively with residents and staff. Said employee shall receive a monthly salary plus benefits as described in Section 8 of this proposal. Said maintenance worker shall be trained on an on-going basis by the Cadman Group and shall have immediate, open communication with appropriate administrative staff members. The on-site manager shall supervise the maintenance worker.
4. Provide a full-time janitorial worker at the facility Monday through Friday 8:00 AM to 5:00 PM. Said worker shall be an employee of the Cadman

Group. Said employee shall be able to communicate effectively with residents and staff. Said employee shall receive a monthly salary plus benefits as described in Section 8 of this proposal. Said janitorial worker shall be trained on an on-going basis by the Cadman Group and shall have immediate, open communication with appropriate administrative staff members. The on-site manager shall supervise the janitorial worker.

5. Oversee and conduct resident leasing program including advertising as the Corporation approves, processing of applications, tenant screening, tenant placement, and maintain a prospective resident waiting list. The Cadman Group shall perform all leasing practices in compliance with the Corporation's mandate regarding potential resident eligibility (age, income, etc.) since the facility is not a HUD facility. Rents for vacant units shall be determined by the Corporation. Cadman Group shall inform the Corporation of market rents for such units if requested by the Corporation.
6. Maintain a resident file for all residents at the facility. Said file shall hold records including, but not limited to rental/lease agreement and addendums such as House Rules, etc., application(s) to rent, resident/management correspondence, maintenance requests, resident information, emergency contact numbers, etc. Said files shall be held private and only be available to the on-site manager, Cadman Group administrative staff, and the Corporation.
7. Collect all rents as they come due, assess and collect late fees for late rental payments as approved by the Corporation, collect security deposits, assess and collect payments for tenant caused damage, etc. Security Deposit funds collected shall be held in accordance with Corporation wishes and any relevant local, state, or federal laws governing handling of such.
8. Enforce all terms of rental/lease agreements and House Rules and supervise process of legal action against tenants for non-performance as necessary. If the Corporation wishes, the Cadman Group shall inform and obtain consent from the Corporation for any legal action taken against a resident for such non-performance. Payment for such legal fees shall be an operational expense of the facility.
9. Establish site maintenance policies including, but not limited to, resident requests, scheduling of work, judgment as to cause and responsibility of needed repairs, follow-up to ensure work completion and resident satisfaction, and daily facility inspections including the parking lot. Perform basic maintenance as necessary. Immediate evaluation of vacant units and timely preparation for re-rental to minimize lost rental income.
10. Interview, retain, and supervise outside contracted vendors including, but not limited to plumbers, electricians, roofing contractors,

landscapers/gardeners, painters, etc. on an as-needed basis. At no point shall a vendor be allowed to perform work at the facility without Cadman Group administrative approval and each vendor shall provide written proof of workers compensation and liability insurance prior to any work commencing.

Off-site or Administrative Duties:

1. Provide monthly operational reports for the facility to each Corporation Board member at least five days prior to each meeting. Said reports to be tailored by the Cadman Group based on the Corporation needs and any auditors retained by the Corporation to provide oversight of the operation of the facility. A full set of sample reports is available upon request. Reports shall include copies of all relevant bank statements with reconciliation reports. A list of available reports includes:
 - Monthly Profit and Loss Statement
 - Year to Date Profit and Loss Statement
 - Monthly Resident Charges (Rent, Security Deposit, Late Rent Fees, etc.) and Payments Report
 - Accounts Receivable or Rent Due Report
 - Balance Sheet
 - General Ledger
 - Monthly and Year to Date Profit and Loss versus Budget
 - Security Deposit Balance Sheet
 - Detailed Expense by Category Report
 - Rent Roll
 - Bank Account Reports
2. Cadman Group shall adhere to all terms contained within the management agreement.
3. All staff to be familiar with and utilize the "site budget" and Park Vista Senior Housing Handbook. Cadman Group shall implement facility standard operating procedures.
4. All maintenance and construction repairs over \$2,000.00 shall be inspected and passed by the City. This amount shall change per instructions from the City or Corporation. Any "Capital Repair" items valued over \$10,000.00 shall be put out to the City for bid. Cadman Group shall notify the Corporation of the need of such repairs and shall assist the Corporation and City, if requested, in obtaining competitive bids at no additional cost to the Corporation.

5. Attendance by Neil Cadman and other relevant staff members at all meetings scheduled by the Corporation. Such meetings shall include, but not limited to, Board Meetings of the Corporation, meetings with the City in relation to the operation of the facility, facility inspections, resident meetings, etc. If required, Cadman Group shall prepare agenda items for such meetings.
6. Provide management support and advice to the Corporation. Cadman Group will provide knowledge on California landlord-tenant law issues to the best of its ability, however such advice is in no way to be viewed as legal advice. Corporation shall obtain legal advice from the City.
7. Allow and assist in an annual audit of the books and records for the previous fiscal year. Cadman Group shall retain the firm conducting the audit and will submit to the Corporation for its approval of said firm no later than 60 days prior to any services performed.
8. Within three months of commencement of managerial duties and at the conclusion of each fiscal year, Cadman Group shall conduct an operational audit of the previous year's financial data. Compensation for such audit shall be included within the scope of the management fee.
9. To provide all financial services on behalf of the property and the Corporation. Said services to include, but not limited to:
 - Collect all money paid to the Corporation and deposit in a Federally Chartered Financial Institution per the Corporation's discretion. Note: Cadman Group maintains over thirty-five accounts with First Coastal Bank and would welcome the opportunity to use First Coastal Bank for said services.
 - Pay all invoices, bills, payroll, etc. that are incurred by the operation of the property.
 - Transmit funds as directed by the Corporation to the City for investment purposes.
10. Provide ongoing review of contracted services, staff, and materials for performance and budgetary considerations.
11. Provide up to date rental comparison analyses of local market rents for units of the same relative size and amenities provided by Park Vista and non-HUD senior facilities within the region.
12. During October of each year of management term, Cadman Group shall provide to the Corporation a budget worksheet for the upcoming fiscal year, which identifies expense items that will be conducted by employees of Cadman Group versus those performed by outside contract. In addition, Cadman Group shall prepare an annual report summarizing the

operational and financial activities of the facility in the previous budget year.

13. Cadman Group shall conduct its services in accordance within the scope of the approved policies and procedures as specified by the Corporation. Cadman Group will assist and consult with the Corporation for development of such policies and procedures.
14. Cadman Group shall manage the facility in compliance with all federal, state, and local laws.
15. Develop a written resident and staff emergency procedures manual. Upon approval by the Corporation, said manual shall be distributed to each staff member and resident. Each resident and staff member shall be asked to acknowledge in writing their receipt of said manual and a resident meeting shall be conducted each year to review emergency procedures, policies, exit strategies, etc. The City of El Segundo Fire and Police Department shall be asked to participate in such an event.
16. Conduct a resident survey every two years to ensure that resident's needs are being met within the framework of a fiscally sound property management policy. The results of said survey shall be presented to the Corporation for review. In addition, Cadman Group shall hear and attempt to resolve resident's grievances and report such grievances to the Corporation and the City.
17. Report resident violations of rental/lease agreements and House Rules to the Corporation and advise on the proper course of action. Cadman Group shall then implement the course of action as determined by the Corporation.
18. Cadman Group shall prepare and maintain a five-year capital improvement plan. Said plan shall take into account the age and life expectancy of all building facilities including, but not limited to, roof condition and cost of repair/replacement, major plumbing expenditures, garage gate and motor repair/replacement, landscaping design, exterior and interior painting, etc. Preparation of said plan will assist the Corporation and the City in budgeting profit and loss ratios and replacement reserve analyses.
19. Regarding insurance, Cadman Group shall:
 - Obtain competitive quotes and maintains the facility has adequate property, liability, fire, earthquake (if available), and umbrella policies.
 - Process and negotiate claims.
 - Provide workers compensation coverage for on-site and administrative staff, naming the Corporation and the facility itself as additionally

insured. As detailed earlier, no outside vendors shall be allowed to perform any contracted work without proof of workers compensation insurance.

-Provide fidelity bonds for personnel that handle money in the amount of \$100,000.00.

-Report to the Corporation any accidents or injuries that have occurred, or reported to have occurred at the facility.

20. Resident Newsletter: The Cadman Group publishes quarterly newsletters for condominium HOA accounts and for a non-HUD senior housing facility. Each newsletter is specifically written for each property and serves as a friendly way to keep residents involved in the operation of the facility, announce new policies, announce meetings, and give a more human element to the management of multi-family commercial property. Regularly we take resident's suggestions for a "resident of the quarter" and highlight that individual's interests, family, etc. This service is provided at no additional cost.

Section 3: Project Organization and Qualifications of Proposer

COMPANY OVERVIEW:

The Cadman Group was founded in 1995 by Neil Cadman to manage multi-family, condominium homeowner's associations, and commercial properties. Neil Cadman is a licensed California Real Estate Broker and has fifteen years experience selling, developing, and managing commercial real estate in the Southern California region. The Cadman Group is not a corporation, but a sole proprietorship operating under the name "Neil R. Cadman doing business as Cadman Group."

Neil Cadman grew up in Westchester, attending Westchester High School and is a 1988 graduate of the University of California, Los Angeles with Bachelor of Arts degrees in History and Political Science. Neil, and his brother Paul, a corporate attorney, are the sons of British immigrants.

Upon graduation from UCLA, Neil was going to follow his brother into law and attend law school, but decided to take a chance and see what commercial real estate had to offer. He worked as a broker's assistant with the Hanes Company in Beverly Hills from 1989 to 1991. It was during that time that the commercial real estate market essentially crashed and Neil left full time brokerage and joined The Tiger Company, a Westside development and brokerage company and transformed the company into a leading West Los Angeles property management firm.

In 1995, Neil decided to leave the Tiger Company and form the Cadman Group in El Segundo. It was the same year that he married Rebecca Montoya and they moved to El Segundo. Neil and Rebecca bought their first house at 627 Whiting Street and are currently building a new home on the same site. Neil and Rebecca have a daughter, Delaney, and are expecting a new addition to the family in late September/early October 2004.

Rebecca Cadman holds a BA in History from UCLA and a Teachers Credential from Loyola Marymount University. Rebecca taught kindergarten and 2nd grade at Kelso Avenue Elementary School in Inglewood until retiring in 1996 to focus on working with the Cadman Group.

Neil and Rebecca consider themselves now "long time" residents of El Segundo and have purchased three income properties in town - 221-223 Main Street (co-owned with Hannes Krashitzer - "Chef Hannes") where Rinaldi's and Lehman's Flowers occupy, 345-349 Richmond Street - the Richmond Lofts commercial

building, and just recently closed escrow on the Schuldt Printing Building at 225 Richmond Street from the El Segundo School Foundation. They plan to completely renovate the building and lease it out as a "loft" style office suite.

From 1995 to 1999 Neil also performed outside contractual duties as the asset manager for Universal Bank, the 7th largest Federal Savings Bank in California. Neil was honored in January of 2004 with being nominated and voted as a Board of Director of Universal Bank.

Neil is also actively involved with the Los Angeles Chapter of the Institute of Real Estate Management (IREM) and is a CPM candidate. In addition, he is the President of the non-profit Housing Corporation for the Delta Chi Chapter of the Alpha Tau Omega Fraternity at UCLA.

Currently the Cadman Group manages approximately 750 apartment units and over 20 light industrial/warehouse spaces throughout Los Angeles, San Bernardino, and Orange Counties (approximately half of the portfolio is located in El Segundo). The company has a staff of 15 ranging from site management, maintenance, administrative, and property supervision capacities.

BOOKKEEPING:

The Cadman Group uses QuickBooks Pro 2004 as its management software. Over the past ten years, we have tested programs written for the property management industry and found that most programs are geared for accountants, not real estate professionals or clients. The reports and accounting QuickBooks produces are not only easy to understand, but very simple for accountants to audit and prepare tax returns.

We will work with the Corporation to determine which reports are applicable.

STAFF:

Joan Allen is our in-house bookkeeper and has the distinction of being a QuickBooks advisor - a trained professional who is recognized by Intuit (the maker of QuickBooks) as a trainer for other QuickBooks users. Joan has been a full charge bookkeeper for over 35 years and has served as Controller for Wolfgang Puck and Urth Café. Joan lives in Manhattan Beach and is the mother of four grown sons.

Warren Scharff is the Cadman Group's property supervisor in charge of site and vendor supervision for the South Bay. Warren has been with the Cadman Group

for six years and has extensive experience in the maintenance field having worked for a large management firm as a maintenance supervisor. His experience gives him the tools for proper vendor supervision regarding job performance and prices of services. Warren and his daughter live in Torrance and she attends Torrance High School. Warren would be the property supervisor assigned to Park Vista.

Diane Lortie has recently joined the Cadman Group as the director of HOA management. Diane owned and operated Reliable Property Management, Inc. in El Segundo for over 15 years and recently decided to close Reliable Property Management and merge her clients into the Cadman Group.

Tonya Hanna is the Cadman Group's property supervisor and division manager for our Long Beach property portfolio. Tonya is a 1998 graduate of the University of Texas and recently joined the Cadman Group after four years with CB Richard Ellis, working on leasing office and retail space with Bob Healy in the CB Richard Ellis Torrance Office. Bob and Tonya recently completed the leasing of the Cook's Market development in downtown El Segundo.

Leticia De La Torre is our office administrator who performs daily duties in support of Neil Cadman, Warren Scharff, and Joan Allen. Leticia uses her experience working for Washington Mutual Bank in El Segundo and works with the staff of First Coastal Bank to ensure proper service from our close banking relationship. Leticia is married and the mother of two sons and one daughter.

Cesar Diaz is the Cadman Group's executive assistant. Cesar graduated from the University of California, Los Angeles in 2003 has a Bachelor of Arts Degree in Political Science. Cesar assists Neil Cadman in company development, marketing, and management control issues.

BANKING:

The Cadman Group will perform the banking services on behalf of the Corporation at the Corporation's discretion. We bank exclusively with First Coastal Bank, NA (located in downtown El Segundo) and maintain over 35 bank accounts which gives us some clout at our local branch with issues regarding services charges, etc. We maintain direct communication with Ed Myska, Mari Peters, and Miguel Mendez at the Bank. We will, however, use any bank the Corporation wishes.

Many property management companies use trust funds to operate client accounts. However we believe that since money collected and bills paid are Corporation property, we prefer to use bank accounts in the Property's name

with signature power to sign checks if the Corporation finds this acceptable, or prepare bill payment checks and deliver/mail them to a designated Board member for signature. We also give the Corporation guidance on how to maximize the interest power of the reserve accounts and operating accounts. We will be open and flexible to what the Corporation needs in terms of banking relationships.

PHONE SYSTEM:

The Cadman Group uses an Avant phone system to answer most incoming phone calls. While many people do not like “talking” to a system, as a property management company that handles 24-hour emergency situations, we have found it best to have a system that works 24 hours per day, 365 days per year. Unlike a receptionist, the phone system does not go home at 5:00 PM, take sick days, have weekends off, etc. Each staff member has direct extensions that are provided and key staff members associated with site management and supervision maintain company cell phones for immediate response if a staff member is not at their desk.

COMPANY PHILOSOPHY

Approximately one-third of the Cadman Group’s management portfolios are properties that Neil and Rebecca Cadman own (under the name of various Limited Liability Corporations). Neil Cadman believes that a management company cannot truly understand the costs associated with mismanagement unless they own income property. To feel the loss of revenue caused by vacancies, poor maintenance practices, unsupervised vendor work, poor resident retentions policies, etc. is what can make a property management company effective and fulfill the client’s objectives for the property.

The Cadman Group’s philosophy of management is simple and in order of importance:

1. Get vacant units rented now. Having a vacant unit is like writing a check every single day – money that can never be retrieved.
2. Get tenants to rent pay rent in full, on time.
3. Retain tenants. You will have fewer vacancies, thus less lost income.
4. Everything else a property management company does for the operation of the property is for the purpose of fulfilling item #3.

This is what Neil Cadman calls the “philosophy of doing minimum management.” While the notion of “minimum management” may sound like a company that strives to do very little, actually the contrary is the case; you

perform the minimum to get the job done – you do it right the first time and keep the budget in mind at all times. The following are examples of “minimum management” practices:

- You define the market rent for a vacant unit and you prepare the unit so you can get the target rent in the shortest amount of time. Marble countertops in one bedroom apartments that rent for \$650 per month for market rents is a waste of capital and budget space; on the other hand, you may have to put marble countertops in rentals on the Wilshire Corridor in a high-rise building where the rent is \$4,500.00 per month. You put in the best quality materials and workmanship keeping a budget and your target resident base in mind.
- You perform maintenance for tenants not just because it is the right thing to do, but also because you will not have tenants if you don't do it quickly and the right way the first time. If you do not provide quality housing, you will not have quality tenants.

On going staff training is aimed at recognizing that each task a property management company performs is directly related to the performance and quality of the facility and the satisfaction of the residents, thus the performance and quality of the management company. Poorly landscaped grounds give residents the impression of a lack of caring about the facility; hence you may find residents in turn showing a lack of caring for the facility in terms of cleanliness, adherence to House Rules, payment of rent, etc.

As a licensed Agent and Broker, no complaints have ever been filed against Neil R. Cadman and the Cadman Group with the Department of Real Estate and Neil R. Cadman and the Cadman Group have never been involved in any litigation regarding the operation of the Cadman Group.

RELEVANT EXPERIENCE

Elm Terrace Senior Apartments, Long Beach, California

In October 1998, Neil and Rebecca Cadman purchased (50% partnership with another family) the Elm Terrace Senior Apartments in Long Beach, California at 1100 Elm Avenue. The facility was built in 1990 under a conditional use permit for 15% of the residents to be designated “low income” status. The facility has 80 units, all one bedroom, one bathroom and is **not** a HUD subsidized facility. Of the 80 tenants, 23 have Section 8 housing vouchers, thus qualifying the property for its “low income” requirement with the City of Long Beach.

The property was purchased for two reasons:

1. The previous owner was operating the facility in violation the conditional use permit (a drug half-way house) thus exposing the property to potential condemnation from the City of Long Beach. This allowed the property to have significant upside potential.
2. Neil and Rebecca Cadman's belief that the multi-family industry is taking care of wealthy retirees (Sun City Palm Springs, Leisure World, etc.), but is leaving a void for middle and low income retirees who need the facilities, services, and comfort senior complexes can provide.

Within eight months, the property was cleared of all non 62 or older residents, significant upgrades were made to the wheelchair lift, elevator, mail boxes, community room, etc. and the property has been a model of excellence for the entire community.

Elm Terrace residents enjoy full time site management by a staff that cares about their well being; with "community" gatherings including Monday night football parties in the community room with potluck dinners, Thanksgiving and Christmas Dinner catered by a local restaurant, weekly bingo and bunco, trips to Laughlin and Las Vegas, etc. In addition, the property is located across the street from St. Mary's Hospital and we regularly conduct meetings and seminars geared to senior's health and financial management issues. All speakers are private individuals who provide insurance documentation prior to each event and hold the ownership/management harmless. We also invite Adult Protective Services to hold meetings with our residents to make sure they know their rights in relationship to such issues as bank and credit fraud, elder abuse, tenant rights, discounts available to seniors, etc.

The facility has now "adopted" a local elementary school where students visit the residents after school and read to them, do arts and crafts, etc.

Owning and managing the Elm Terrace Apartments has been not only profitable from a monetary point of view, but has been the most satisfying aspect of our ownership/management portfolio.

Upon request by the Corporation, Cadman Group would be willing to provide a list of all client managed properties with telephone numbers for reference purposes.

PROPOSED SERVICE PLAN FOR PARK VISTA

Due to the Cadman Group's close proximity to the facility – we are located at 203 Standard Street on the corner of Standard and Franklin – the communication and supervision lines of management will be open, ready, and continuous.

It is our belief that any business operation depends its success or failure at the point at which staff members have the most interaction with customers, or in the case of property management, the residents. A management company can have many years of experience, the best software, bookkeepers, published management philosophy, etc., however if the resident manager is not effective, no other management personnel, policy, or philosophy will make the management of the site effective. Any management company that has the experience and tools to manage a facility like Park Vista is successful in general; however the true test for the Corporation is the measure of success at this one particular property – Park Vista.

Effective property management depends on customer service, or “resident relations” more than most businesses. We, as landlords and management companies, provide a product that is basic to human needs – housing. With Park Vista, we need to strive to be even better at resident relations because our “customers” are valued members of our El Segundo community that demand and deserve friendly, prompt service to daily and special needs. Our residents must be treated with the highest levels of respect and dignity, not just because it is good business, but more simply, because they have earned it.

The Cadman Group's goal, or mission, is to recruit, train, and supervise the highest level on-site manager that acts as the “front line” for many of the most important tasks performed by a property management company – leasing, enforcement of rules, and tenant retention. In addition, the on-site manager is the supervisor for the assistant managers and the maintenance/janitorial staff and keeps a close eye on the performance and professionalism of outside vendors such as landscapers, plumbers, etc.

If chosen to manage the facility, the Cadman Group will interview and review the performance of the current manager by reviewing resident surveys, at length “scene scenarios” conducted by Warren Scharff and Neil Cadman to determine what level of service the current manager has performed at, and can perform at in the future. A regional search would be conducted for a potential new on-site manager targeting two areas of potential candidates: managers who have been trained and certified by the Apartment Association of Greater Los Angeles' On-Site Management Training Program, and Accredited Resident Managers (ARM's). ARM's are career on-site managers who have earned, through

experience and coursework the distinction of being awarded as an Accredited Resident Manager from the Institute of Real Estate Management.

The on-site manager would supervise all other site staff and a management system would be installed so that residents know that all needs, questions, or services go through the resident manager. As an example, if a resident is leaving the facility and tells the maintenance worker that they have a clogged bathroom sink, the maintenance worker is to kindly request that the resident see the resident manager; this way all needs go through one employee who is responsible for receiving the request, assigning it, and verifying the work was completed and the resident is satisfied.

Much responsibility is placed on the shoulders of the on-site manager, yet the organization of the management company must allow the on-site manager to perform their duties and have off-site management personnel ready to assist and perform administrative duties. For example, an on-site manager must have basic knowledge of maintenance aspects of multi-family facilities and have a keen understanding of landlord-resident relations, but the on-site manager must not be burdened with bookkeeping, financial reporting to the Corporation, etc.

Joan Allen will perform all bookkeeping aspects associated with the Park Vista facility. Rents are collected by the on-site manager and delivered to the Cadman Group's offices in El Segundo for daily processing and depositing. All invoices or bills associated with the operation of the facility shall be mailed to the Cadman Group's offices and tracked and paid by Joan Allen. Joan's mandate is to get bills paid on time, analyze utility bills and notify Warren Scharff, Neil Cadman, and the on-site manager if any common area utility bill grows in excess of 10% on any given month and to only pay a non-recurring outside vendor invoice when the work order has been approved for payment in writing by Warren Scharff who will be consulted by the on-site manager prior to any work being ordered. The on-site manager will report to Warren Scharff that such work has been satisfactorily completed.

Coordination, reporting, and meeting with the Corporation and overall supervision of the total operation of the facility will be the job of Neil Cadman. Clients of the Cadman Group do not have their facility "assigned" to a property supervisor; rather their point of contact for all inquiries and needs is the owner of the management company.

Our philosophy of management is to have well trained staff who understand their individual job descriptions, but also understand that effective, quality management of a facility is a team job. The Cadman Group designs overlapping

duties in critical areas in order to maintain checks and balances that lessen the chance for things to “fall through the cracks.”

With the Park Vista Senior Housing Facility managed by the Cadman Group:

1. The facility will be managed in an efficient, cost conscience manner with budgetary considerations in mind.
2. Residents will be treated with dignity and respect and will view their home as a community of neighbors with on-site and off-site management serving their individual and collective needs.
3. The El Segundo Senior Citizens Housing Corporation will have a management partner that will operate the property as a non-HUD senior facility; report to the Corporation as required, and work with the Corporation to assist in short and long term decisions to ensure the financial stability of the facility and of the Corporation. The Cadman Group will assist the Corporation to ensure that the property operates in a positive fiscal manner and that reserves are established and maintained for future improvements of the facility to protect its longevity.
4. The City of El Segundo will take pride in its Park Vista Senior Citizen Housing Facility and make it a showcase for other cities to emulate.

Section 4: Risks and Contractual Obligations

Neil R. Cadman is a licensed California Real Estate Broker and operates the Cadman Group under the guidelines and rules as set forth by California Real Estate Law and the California Department of Real Estate. Neil Cadman is a member of the Apartment Association of Greater Los Angeles and a Certified Property Manager Candidate (CPM) within the Institute of Real Estate Management (IREM). The Cadman Group is a member of the Better Business Bureau.

The Cadman Group maintains workers compensation insurance through Everest National. The Corporation and the facility would be named as additionally insured.

The Cadman Group maintains a fidelity bond in the amount of \$100,000.00. The Corporation and the facility would be named as additionally insured.

Section 5: Exceptions

The Cadman Group warrants that it has reviewed the requirements of the project as described in the RFP and understands all duties and obligations contained within.

Regarding having reviewed the requirements of the Draft Agreement, no Draft Agreement was provided, thus we have no comment at this time. However, the management agreement currently in effect has been reviewed and is acceptable in its entirety.

Section 6: Cadman Group Financial Data

Neil R. Cadman, doing business as Cadman Group has been in business, licensed in the City of El Segundo since 1995. As stated previously, the company is a sole proprietorship, not a corporation. Although the RFP called for financial data for companies in existence less than one year, we felt it best to give the Corporation as much information about the company as possible. Because of the nature of sole proprietorships, Neil and Rebecca Cadman would be willing to provide the Corporation personal financial statements and a letter of financial strength from Ed Myska, Senior Vice President of First Coastal Bank.

Cadman Group Profit and Loss June 2004

	<u>Jun 04</u>
Ordinary Income/Expense	
Income	
Property Management Fees	48,717.00
Total Income	48,717.00
Expense	
Advertising	215.00
Continuing Education	155.00
Dues and Subscriptions	455.90
Medical & Dental	3,526.79
Payroll Expenses	
Auto	106.00
ETT	0.00
Gross Wages	32,149.84
Medical	0.00
Payroll Expenses - Other	0.00
Total Payroll Expenses	32,255.84
Postage and Delivery	749.69
Printing and Reproduction	1,599.63
Professional Fees	220.05
Rent	2,553.00
Supplies	
Office	105.72
Total Supplies	105.72
Telephone	427.50
Travel & Ent	
Meals	0.00
Total Travel & Ent	0.00
Utilities	

Cable	98.91
Gas and Electric	<u>107.71</u>
Total Utilities	<u>206.62</u>
Total Expense	<u>42,470.74</u>
Net Ordinary Income	<u>6,246.26</u>
Net Income	<u><u>6,246.26</u></u>

Cadman Group
Profit and Loss 2003

	<u>Jan - Dec 03</u>
Ordinary Income/Expense	
Income	
Consulting Fees	35,717.72
Property Management Fees	<u>480,775.44</u>
Total Income	516,493.16
Expense	
Advertising	9,989.30
Bank Service Charges	566.00
Charitable Contributions	161.69
Continuing Education	602.26
Dues and Subscriptions	1,691.99
Equipment Rental	200.73
Insurance	
Liability Insurance	874.00
Workers Comp	<u>36,225.50</u>
Total Insurance	37,099.50
Licenses and Permits	4,901.07
Medical & Dental	47,858.59
Payroll Expenses	
Auto	1,378.00
ETT	84.90
Gross Wages	306,565.00
Medical	1,223.00
Payroll Expenses - Other	
Total Payroll Expenses	<u>309,250.90</u>
Payroll Taxes	
FICA	18,910.18
FUTA	728.00
Medicare	4,422.54
SUICA	<u>2,457.00</u>
Total Payroll Taxes	26,517.72

Postage and Delivery	1,899.68
Printing and Reproduction	263.88
Professional Fees	
Accounting	346.46
Legal Fees	0.00
Professional Fees - Other	
Total Professional Fees	<u>346.46</u>
Rent	8,100.00
Repairs	
Computer Repairs	<u>708.58</u>
Total Repairs	708.58
Supplies	
Office	<u>1,278.72</u>
Total Supplies	1,278.72
Telephone	12,160.53
Travel & Ent	
Meals	3,297.85
Travel	2,185.75
Travel & Ent - Other	<u>342.19</u>
Total Travel & Ent	5,825.79
Utilities	
Cable	1,129.81
Gas and Electric	2,405.95
Water	<u>29.08</u>
Total Utilities	<u>3,564.84</u>
Total Expense	<u>472,988.23</u>
Net Ordinary Income	43,504.93
Other Income/Expense	
Other Income	
Maintenance	
Other Income	
Total Other Income	<u>0.00</u>
Net Other Income	<u>0.00</u>
Net Income	<u><u>43,504.93</u></u>

Section 7: Representations and Certifications

Please see Exhibit 1 at the end of the proposal.

Section 8: Proposed Contract Costs

The proposed fee associated with the operation of the facility as described herein has two components:

1. For Professional Property Management Services: Cadman Group shall be paid \$2,750 per month.
2. Additional costs are to be reimbursable costs associated with on-site staff compensation. Such costs include:
 - a) Resident Manager Salary: The resident manager of a 93 unit non-HUD senior housing facility needs to have specialized training to handle the unique needs a senior housing facility provides, such as senior appropriate activities, resident health related issues, etc. According to the Institute of Real Estate Management, total compensation for multi-family properties of around 100 units is approximately \$25,000 per year plus free rent. In addition, all full time employees of Cadman Group receive 100% premium payment for medical HMO, dental HMO, vision HMO, and life insurance.

Therefore, the total monthly monetary net expense for the resident manager shall be: \$2,740.00

1. Use of a two-bedroom unit in the facility.
 2. Gross salary of \$2,000.00 per month
 3. Approximate payroll taxes of \$185.00 per month
 4. Benefits, including Health Net HMO, Health Net Vision HMO, Guardian Dental HMO, and Guardian Life Insurance: Approximately \$280.00 per month.
 5. Workers compensation premiums of approximately \$275.00 per month
- b) Assistant Manager Compensation: The Assistant Managers shall be on an independent contractor contract with the Cadman Group and shall receive compensation for their duties in the form of a rent reduction.
 - c) Maintenance Worker Salary: A qualified maintenance worker for a 93 unit building should have the necessary skill to handle most day to day maintenance issues that arise, thus lessening the need to contract outside vendors. Such a person receives approximately \$15.00 per hour plus company benefits.

Therefore, the total monthly monetary net expense for the maintenance worker shall be: \$3,295.00

1. Gross salary of \$2,400.00 per month
2. Approximate payroll taxes of \$185.00 per month
3. Benefits, including Health Net HMO, Health Net Vision HMO, Guardian Dental HMO, and Guardian Life Insurance: Approximately \$280.00 per month.
4. Workers compensation premiums of approximately \$430.00 per month.

d) Janitorial Worker Salary: A janitorial worker for a 93 unit building should have the necessary skills to handle basic janitorial services including mopping, window cleaning, parking lot cleaning, trash removal, etc. In addition, the janitorial worker can assist the maintenance worker on tasks in which a second set of hands is necessary to perform a task. Such a person receives approximately \$11.00 per hour plus company benefits.

Therefore, the total monthly monetary net expense for the maintenance/janitorial worker shall be: \$2,439.00

1. Gross salary of \$1,760.00 per month
2. Approximate payroll taxes of \$135.00 per month
3. Benefits, including Health Net HMO, Health Net Vision HMO, Guardian Dental HMO, and Guardian Life Insurance: Approximately \$280.00 per month.
4. Workers compensation premiums of approximately \$264.00 per month.

Total monthly fee plus reimbursable costs to Cadman Group:

Management Fee:	\$2,750.00
Staff payroll expense:	\$8,474.00**
<i>Total:</i>	<i>\$11,224.00</i>

**Please note that while the management fee is a "fixed" expense, the reimbursable expenses associated with on-site staff changes periodically with changes in payroll tax tables, benefits costs, salary review, etc. In addition, the Cadman Group would like to review current staffing salaries to determine a more actual cost figure.

The Cadman Group shall provide detailed reports at the Board's discretion showing actual costs associated with site staff expense. Reports shall include DE6 and 941 forms, workers compensation premium bills, and benefit payment statements. In this way, the Corporation is assured that actual reimbursements to the Cadman Group for site staff are continually audited by both the Cadman Group and the Corporation.

The Cadman Group does not propose a scheduled property management fee increase.

Exhibit 1

"I, Neil R. Cadman, represent and certify, on behalf of Cadman Group that I am familiar with the information presented in the proposal, and that is true and correct to the best of my knowledge and belief and that I am authorized to execute this Representation and Certification.

Signed ."

Since the Cadman Group is not a corporation, there exists no resolutions or documents showing that Neil R. Cadman is authorized to execute such an agreement. As stated earlier in the proposal, the Cadman Group's legal name is Neil R. Cadman, doing business as Cadman Group. Therefore my signature shall act in full force.

**EIGHTH AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT
BETWEEN THE EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION
AND CADMAN GROUP, INC., A CALIFORNIA CORPORATION**

This EIGHTH AMENDMENT (“Amendment”) to the PROPERTY MANAGEMENT AGREEMENT BETWEEN THE EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION AND NEIL R. CADMAN DBA CADMAN GROUP (since incorporated as Cadman Group, Inc., a California Corporation) dated October 1, 2004 (the “Agreement”) is made and entered into this 26th day of April, 2023, by and between the El Segundo Senior Citizen Housing Corporation, a California nonprofit public benefit corporation (“Owner”) and Cadman Group, Inc., a California Corporation (“Manager”), collectively referred to herein as the “Parties.”

WHEREAS, the Parties entered into the Agreement on October 1, 2004;

WHEREAS, the Agreement has since been amended on seven occasions; and

WHEREAS, the Parties wish to amend the Agreement again to extend the term for an additional three years and to make other mutually agreed upon changes to its terms.

NOW, THEREFORE, in exchange for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Section 1.4 of the Agreement is hereby amended to read as follows:

“1.4 TERM

The term of this Agreement shall extend to and including October 31, 2026, subject to the provisions set forth in Section 19 regarding termination.”

2. Section 1.7 of the Agreement is hereby amended to read as follows:

“1.7 APARTMENT FOR MANAGER’S ON-SITE PERSONNEL

OWNER must provide MANAGER with one apartment unit on the Premises which MANAGER may sublet only for the use of its designated employee/on-site manager. The apartment unit will be provided to MANAGER rent free, except that MANAGER or MANAGER’s sublessee shall be responsible for paying the cost of utilities and telephone in the same manner as other tenants. The specific apartment may be selected by OWNER. In the event this Agreement expires or is earlier terminated, MANAGER shall be responsible for paying the then-applicable market rent for the unit beginning 30 days after the Agreement expires/terminates and extending until such time as the unit is vacant. This section shall survive termination of this Agreement.”

3. Section 2 of the Agreement is hereby amended to read as follows:

“Section 2: BANK ACCOUNTS

The operating account established under this Agreement may be with a bank selected by MANAGER and must be in the name of, and owned by, OWNER, but under MANAGER’s control. MANAGER’s designees are the only parties authorized to draw upon such account. No amounts in any accounts established under this Agreement may, in any event, be commingled with any other funds of MANAGER or its other clients.”

4. Section 10.3 of the Agreement is hereby amended to read as follows:

“10.3 APPROVAL FOR EXCEPTIONAL MAINTENANCE EXPENSE

The expense to be incurred for any one item of maintenance, alteration, refurbishing, or repair cannot exceed the sum of \$7,500, unless such expense is first specifically authorized by OWNER, or is incurred under such circumstances as MANAGER reasonably deems to be an emergency. The foregoing limitation does not apply to any expense or expenses incurred in connection with preparing a vacant unit for rental.”

5. Section 15.1 of the Agreement is hereby amended to read as follows:

“15.1 FEE FOR MANAGEMENT SERVICES

Beginning November 1, 2023, MANAGER will be paid the fee of \$16,250.00 per month for its proper performance of all the services as set forth herein. Beginning November 1, 2024, the monthly management fee will increase to \$16,500.00. Beginning November 1, 2025, the monthly management fee will increase to \$16,750.00.”

6. This Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitute one instrument executed on the same date.
7. Except as otherwise provided herein, all terms and conditions of the Agreement, as previously amended, shall remain in full force and effect.

[signatures on following page]

IN WITNESS HEREOF, the Parties hereto have affixed their respective signatures on the date first hereinabove written.

**EL SEGUNDO SENIOR CITIZENS
HOUSING CORPORATION**

**CADMAN GROUP, INC.
NEIL R. CADMAN, PRESIDENT**

President

Neil R. Cadman

Chief Financial Officer

Taxpayer ID