

AGREEMENT FOR CONTRACT SERVICES

THIS AGREEMENT FOR CONTRACT SERVICES (the "Agreement") is made and entered into as of October 14, 2011, by and between the IRVINE COMMUNITY LAND TRUST, a 501(c)(3) nonprofit public benefit corporation ("ICLT"), and CIVICSTONE, INC., a California corporation ("Contractor"). (The term Contractor includes professionals performing in a consulting capacity.)

PART I

FUNDAMENTAL TERMS

A. Location of Project: The ICLT location(s) as set forth in PART IV, Scope of Services, included herein.

B. Description of Services/Goods to be Provided: Affordable Housing Consulting Services in accordance with PART IV, Scope of Services, included herein.

C. Term: Unless terminated earlier as set forth in this Agreement, the services shall commence on July 1, 2011 ("Commencement Date") and shall continue through June 30, 2012. The ICLT reserves the right to extend this Agreement for one (1) additional one (1) year period. Such extension shall only be valid if effectuated in writing by the ICLT.

D. Party Representatives:

D.1. The ICLT designates the following person/officer to act on ICLT's behalf: Mark Asturias, Executive Director, email: mark@irvineclt.org

D.2. The Contractor designates the following person to act on Contractor's behalf: Adam Eliason, email: adam@civicston.com

E. Notices: Contractor shall deliver all notices and other writings required to be delivered under this Agreement to ICLT at the address set forth in Part II ("General Provisions"). The ICLT shall deliver all notices and other writings required to be delivered to Contractor at the address set forth following Contractor's signature below.

F. Attachments: This Agreement incorporates by reference the following Attachments to this Agreement:

- | | | |
|------|-----------|--------------------|
| F.1. | Part I: | Fundamental Terms |
| F.2. | Part II: | General Provisions |
| F.3. | Part III: | Special Provisions |
| F.4. | Part IV: | Scope of Services |
| F.5. | Part V: | Budget |

G. Integration: This Agreement represents the entire understanding of ICLT and Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with regard to those matters covered by this Agreement. This Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first set forth above.

IRVINE COMMUNITY LAND TRUST

CIVICSTONE, INC.

By: _____
Mark Asturias
Its: Executive Director _____

By: _____
Its: _____

By: _____
Its: _____

By: _____
Its: _____

Attest:

By: _____

APPROVED AS TO FORM:
RUTAN & TUCKER, LLP

Bill Ihrke

Contractor Information

Address for Notices and Payments:

**Civicstone, Inc.
12598 Central Avenue, Suite 102
Chino, CA 91710**

**Attn: Adam Eliason
Telephone: (909) 885-0229
FAX: (909) 885-0649
Email: adam@civicstone.com**

PART II

GENERAL PROVISIONS

SECTION ONE: SERVICES OF CONTRACTOR

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Contractor shall provide the goods and/or services shown on Part IV hereto ("Scope of Services"), which may be referred to herein as the "services" or the "work." If this Agreement is for the provision of goods, supplies, equipment or personal property, the terms "services" and "work" shall include the provision (and, if designated in the Scope of Services, the installation) of such goods, supplies, equipment or personal property.

1.2 Changes and Additions to Scope of Services. ICLT shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to, or deducting from said work. No such work shall be undertaken unless a written order is first given by ICLT to Contractor, incorporating therein any adjustment in (i) the Budget, and/or (ii) the time to perform this Agreement, which adjustments are subject to the written approval of the Contractor. ICLT approval and/or payment for work claimed by Contractor as changed or additional shall not act to prevent ICLT at any time to claim such work is covered by the Scope of Work and should be performed by Contractor without additional consideration due. It is expressly understood by Contractor that the provisions of this Section 1.2 shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefor.

1.3 Standard of Performance. Contractor agrees that all services shall be performed in a competent, professional, and satisfactory manner in accordance with the standards prevalent in the industry, and that all goods, materials, equipment or personal property included within the services herein shall be of good quality, fit for the purpose intended.

1.4 Performance to Satisfaction of ICLT. Notwithstanding any other provision herein, Contractor agrees to perform all work to the satisfaction of ICLT within the time specified. If ICLT reasonably determines that the work is not satisfactory, ICLT shall have the right to take appropriate action, including but not limited to: (i) meeting with Contractor to review the quality of the work and resolve matters of concern; (ii) requiring Contractor to repeat unsatisfactory work at no additional charge until it is satisfactory; (iii) suspending the delivery of work to Contractor for an indefinite time; (iv) withholding payment; and (v) terminating this Agreement as hereinafter set forth.

1.5 Instructions from ICLT. In the performance of this Agreement, Contractor shall report to and receive instructions from the ICLT's Representative designated in Paragraph D.1 of Part I ("Fundamental Terms") of this Agreement. Tasks or services other than those specifically described in the Scope of Services shall not be performed without the prior written approval of the ICLT's Representative.

1.6 Familiarity with Work. By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of services to be performed,

(ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties, and restrictions attending performance of the services under the Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any conditions, including any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the ICLT of such fact in writing and shall not proceed except at Contractor's risk until written instructions are received from the ICLT's Representative.

1.7 Identity of Persons Performing Work.

(A) Contractor represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all tasks and services required hereunder. Contractor shall not replace any of the principal members of the Project team, or any successors to any of such persons, without ICLT's prior written approval.

(B) Contractor represents that the tasks and services required hereunder will be performed by Contractor or under its direct supervision, and that all personnel engaged in such work shall be fully qualified and shall be authorized and permitted under applicable State and local law to perform such tasks and services. In carrying out such tasks and services, Contractor shall not employ any undocumented aliens (that is, persons who are not citizens or nationals of the United States).

(C) This Agreement contemplates the personal services of Contractor and Contractor's employees, and it is recognized by the parties hereto that a substantial inducement to ICLT for entering into this Agreement was, and is, the professional reputation and competence of Contractor and Contractor's employees. Neither this Agreement nor any interest therein may be assigned by Contractor, except upon written consent of ICLT.

1.8 Prohibition Against Subcontracting or Assignment. Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of ICLT. In addition, neither the Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of ICLT. In the event of any unapproved transfer, including any bankruptcy proceeding, ICLT may void the Agreement at ICLT's option in its sole and absolute discretion. No approved transfer shall release any surety of Contractor of any liability hereunder without the express written consent of ICLT.

SECTION TWO: INSURANCE AND INDEMNIFICATION

2.1 Insurance. Without limiting Contractor's indemnification obligations, Contractor shall procure and maintain, at its sole cost and for the duration of this Agreement, insurance coverage as provided below, against all claims for injuries against persons or damages to property which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, employees, and/or subcontractors. In the event that Contractor subcontracts any portion of the work in compliance with Section 1.7 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the contractor is required to maintain pursuant to this Section 2.1.

2.1.1 Insurance Coverage Required. The policies and amounts of insurance required hereunder shall be as follows:

A. Comprehensive General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01 including completed operations and contractual liability, with limits of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate for liability arising out of Contractor's performance of this Agreement. The limits shall be provided by either a single primary policy or combination of policies. If limits are provided with excess and/or umbrella coverage the limits combined with the primary will equal the minimum limits set forth above. If written with an aggregate, the aggregate shall be double the each occurrence limit. Such insurance shall be endorsed to:

(1) Name the ICLT and its employees, representatives, officers and agents (collectively hereinafter "ICLT and ICLT Personnel") as additional insured for claims arising out of Contractor's performance of this Agreement.

(2) Provide that the insurance is primary and non-contributing with any other valid and collectible insurance or self-insurance available to ICLT.

A statement on an insurance certificate will not be accepted in lieu of the actual endorsement.

B. Automobile Liability Insurance with a limit of liability of not less than \$1,000,000 each occurrence and \$1,000,000 annual aggregate. The limits shall be provided by either a single primary policy or combination of policies. If limits are provided with excess and/or umbrella coverage the limits combined with the primary will equal the minimum limits set above. Such insurance shall include coverage for all "owned," "hired" and "non-owned" vehicles, or coverage for "any auto." Such insurance shall be endorsed to:

(1) Name the ICLT and its employees, representatives, officers and agents as additional insured for claims arising out of Contractor's performance of this Agreement.

(2) Provide that the insurance is primary and non-contributing with any other valid and collectible insurance or self-insurance available to ICLT.

A statement on an insurance certificate will not be accepted in lieu of the actual endorsement.

C. Workers' Compensation Insurance in accordance with the Labor Code of California and covering all employees of the Contractor providing any service in the performance of this agreement. Such insurance shall be endorsed to:

(1) Waive the insurer's right of Subrogation against the ICLT and ICLT Personnel.

A statement on an insurance certificate will not be accepted in lieu of the actual endorsement unless your insurance carrier is the State of California

Insurance Fund (SCIF) and the endorsement numbers 2570 and 2065 are referenced on the certificate of insurance.

Contractor's completion of the form attached hereto as Exhibit 1 shall be a condition precedent to Contractor's rights under this Agreement.

D. Professional Liability Insurance with minimum limits of \$1,000,000 each claim. Covered professional services shall include all work performed under this Agreement and delete any exclusion that may potentially affect the work to be performed.

E. Evidence of Insurance: Contractor shall provide to ICLT a Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to ICLT by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

Original, signed insurance certificates and endorsements shall be addressed as shown below, and sent via email from Contractor's insurance broker/agent to the ICLT Representative as set forth in Part I, Fundamental Terms, Section D. Party Representatives.

**Attn: Purchasing Agent
Irvine Community Land Trust
P. O. Box 19575
Irvine, CA 92623-9575**

F. Endorsements: A statement on an insurance certificate will not be accepted in lieu of the actual endorsement. Insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the ICLT for approval.

Additional Insured Endorsements shall not:

1. Be limited to "Ongoing Operations"
2. Exclude "Contractual Liability"
3. Restrict coverage to the "Sole" liability of Contractor
4. Contain any other exclusion contrary to the Agreement.

G. Any Deductible in Excess of \$50,000 and/or Self-Insured Retentions must be approved in writing by the ICLT.

H. Acceptability of Insurers. Each policy shall be from a company with current A.M. Best's rating of A VII or higher and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus lines brokers under applicable provisions of the California Insurance Code or any federal law. Any other rating must be approved in writing by the ICLT.

I. Insurance of Subcontractors. Contractor shall be responsible for causing Subcontractors to maintain the same types and limits of coverage in compliance with this Agreement, including naming the ICLT as an additional insured to the Subcontractor's policies.

2.2 Indemnification. Contractor shall indemnify, defend, and hold ICLT and ICLT Personnel harmless from and against any and all actions, suits, claims, demands, judgments, attorney's fees, costs, damages to persons or property, losses, penalties, obligations, expenses or liabilities (herein "claims" or "liabilities") that may be asserted or claimed by any person or entity arising out of the willful or negligent acts, errors or omissions of Contractor, its employees, agents, representatives or subcontractors in the performance of any tasks or services for or on behalf of ICLT, whether or not there is concurrent active or passive negligence on the part of ICLT and/or ICLT Personnel, but excluding such claims or liabilities arising from the sole active negligence or willful misconduct of ICLT or ICLT Personnel in connection therewith:

2.2.1 Contractor shall defend any action or actions filed in connection with any such claims or liabilities, and shall pay all costs and expenses, including attorney's fees incurred in connection therewith.

2.2.2 Contractor shall promptly pay any judgment rendered against ICLT or any ICLT Personnel for any such claims or liabilities.

2.2.3 In the event ICLT and/or any ICLT Personnel is made a party to any action or proceeding filed or prosecuted for any such damages or other claims arising out of or in connection with this Agreement, Contractor shall pay to ICLT any and all costs and expenses incurred by ICLT or ICLT Personnel in such action or proceeding, together with reasonable attorney's fees and expert witness fees.

SECTION THREE: LEGAL RELATIONS AND RESPONSIBILITIES

3.1 Compliance with Laws. Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect those employed by it or in any way affect the performance of services pursuant to this Agreement. Contractor shall at all times observe and comply with all such laws, ordinances, and regulations and shall be responsible for the compliance of all work and services performed by or on behalf of Contractor. When applicable, Contractor shall not pay less than the prevailing wage, which rate is determined by the Director of Industrial Relations of the State of California.

3.2 Licenses, Permits, Fees and Assessments. Contractor shall obtain at its sole cost and expense all licenses, permits, and approvals that may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for Contractor's performance of the services required by this Agreement, and shall indemnify, defend, and hold harmless ICLT against any such fees, assessments, taxes, penalties, or interest levied, assessed, or imposed against ICLT thereunder.

3.3 Covenant Against Discrimination. Contractor covenants for itself, its heirs, executors, assigns, and all persons claiming under or through it, that there shall be no discrimination against any person on account of race, color, creed, religion, sex, marital status,

national origin, or ancestry, in the performance of this Agreement. Contractor further covenants and agrees to comply with the terms of the Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) as the same may be amended from time to time.

3.4 Independent Contractor. Contractor shall perform all services required herein as an independent contractor of ICLT and shall remain at all times as to ICLT a wholly independent contractor. ICLT shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise, or a joint venturer, or a member of any joint enterprise with Contractor. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of ICLT. Neither Contractor nor any of Contractor's employees shall, at any time, or in any way, be entitled to any sick leave, vacation, retirement, or other fringe benefits from the ICLT; and neither Contractor nor any of its employees shall be paid by ICLT time and one-half for working in excess of forty (40) hours in any one week. ICLT is under no obligation to withhold State and Federal tax deductions from Contractor's compensation. Neither Contractor nor any of Contractor's employees shall be included in the competitive service, have any property right to any position, or any of the rights an employee may have in the event of termination of this Agreement.

3.5 Covenant Against Contingent Fees. Contractor warrants that it has not employed or retained any company or person to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person any fee or commission from the award or making of this Agreement. For breach or violation of this warranty, ICLT shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee or commission.

3.6 Use of Patented Materials. Contractor shall assume all costs arising from the use of patented or copyrighted materials, including but not limited to equipment, devices, processes, and software programs, used or incorporated in the services or work performed by Contractor under this Agreement. Contractor shall indemnify, defend, and save the ICLT harmless from any and all suits, actions or proceedings of every nature for or on account of the use of any patented or copyrighted materials consistent with Section 2.2 herein.

3.7 Proprietary Information. All proprietary information developed specifically for ICLT by Contractor in connection with, or resulting from, this Agreement, including but not limited to inventions, discoveries, improvements, copyrights, patents, maps, reports, textual material, or software programs, but not including Contractor's underlying materials, software, or know-how, shall be the sole and exclusive property of ICLT, and are confidential and shall not be made available to any person or entity without the prior written approval of ICLT. Contractor agrees that the compensation to be paid pursuant to this Agreement includes adequate and sufficient compensation for any proprietary information developed in connection with or resulting from the performance of Contractor's services under this Agreement. Contractor further understands and agrees that full disclosure of all proprietary information developed in connection with, or resulting from, the performance of services by Contractor under this Agreement shall be made to ICLT, and that Contractor shall do all things necessary and proper to perfect and maintain ownership of such proprietary information by ICLT.

3.8 Retention of Funds. Contractor hereby authorizes ICLT to deduct from any amount payable to Contractor (whether arising out of this Agreement or otherwise) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate ICLT for any losses, costs, liabilities, or damages suffered by ICLT, and all amounts for which ICLT may be liable to third parties, by reason of Contractor's negligent acts, errors, or omissions, or willful

misconduct, in performing or failing to perform Contractor's obligations under this Agreement. ICLT in its sole and absolute discretion, may withhold from any payment due Contractor, without liability for interest, an amount sufficient to cover such claim or any resulting lien. The failure of ICLT to exercise such right to deduct or withhold shall not act as a waiver of Contractor's obligation to pay ICLT any sums Contractor owes ICLT.

3.9 Termination By ICLT. ICLT reserves the right to terminate this Agreement at any time, with or without cause, upon written notice to Contractor. Upon receipt of any notice of termination from ICLT, Contractor shall immediately cease all services hereunder except such as may be specifically approved in writing by ICLT. Contractor shall be entitled to compensation for all services rendered prior to receipt of ICLT's notice of termination and for any services authorized in writing by ICLT thereafter. If termination is due to the failure of Contractor to fulfill its obligations under this Agreement, ICLT may take over the work and prosecute the same to completion by contract or otherwise, and Contractor shall be liable to the extent that the total cost for completion of the services required hereunder, including costs incurred by ICLT in retaining a replacement contractor and similar expenses, exceeds the Budget.

3.10 Right to Stop Work; Termination By Contractor. Contractor shall have the right to stop work and terminate only if ICLT fails to timely make a payment required under the terms of the Budget. Contractor shall provide ICLT thirty (30) day prior written notice of such claimed payment owed and ICLT shall have an opportunity to remedy any such claimed breach during such time with no legal consequence to ICLT. Contractor shall immediately cease all services hereunder following the thirty (30) day notice, except such services as may be specifically approved in writing by ICLT. Contractor shall be entitled to compensation for all services rendered prior to termination and for any services authorized in writing by ICLT thereafter. If Contractor terminates this Agreement because of an error, omission, or a fault of Contractor, or Contractor's willful misconduct, the terms of Section 3.9 relating to ICLT's right to take over and finish the work and Contractor's liability, the thirty (30) day notice shall apply.

3.11 Waiver. No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing.

3.12 Legal Actions. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted and maintained in the Municipal and Superior Courts of the State of California in the County of Orange, or in any other appropriate court with jurisdiction in such County, and Contractor agrees to submit to the personal jurisdiction of such court.

3.13 Rights and Remedies are Cumulative. Except as may be expressly set forth in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies or other rights or remedies as may be permitted by law or in equity shall not preclude the exercise by such party, at the same or different times, of any other rights or remedies to which such party may be entitled.

3.14 Attorneys' Fees. In any action between the parties hereto seeking enforcement of any of the terms or provisions of this Agreement or in connection with the performance of the work hereunder, the party prevailing in the final judgment in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to have and recover from the other party its

reasonable costs and expenses, including, but not limited to, reasonable attorney's fees, expert witness fees, and courts costs. If either party to this Agreement is required to initiate or defend litigation with a third party because of the violation of any term or provision of this Agreement by the other party, then the party so litigating shall be entitled to its reasonable attorney's fees and costs from the other party to this Agreement.

3.15 Force Majeure. The time period specified in this Agreement for performance of services shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of ICLT or Contractor, including, but not restricted to, acts of nature or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including ICLT, if the delaying party shall within ten (10) days of the commencement of such delay notify the other party in writing of the causes of the delay. If Contractor is the delaying party, ICLT shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of ICLT such delay is justified. ICLT's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against ICLT for any delay in the performance of this Agreement, however caused. Contractor's sole remedy shall be extension of this Agreement pursuant to this Section 3.13.

3.16 Non-liability of ICLT Officers and Employees. No officer, official, employee, agent, representative, or volunteer of ICLT shall be personally liable to Contractor, or any successor in interest, in the event of any default or breach by ICLT, or for any amount which may become due to Contractor or its successor, or for breach of any obligation of the terms of this Agreement.

3.17 Conflicts of Interest.

A. No officer, official, employee, agent, representative or volunteer of ICLT shall have any financial interest, direct or indirect, in this Agreement, or participate in any decision relating to this Agreement that affects his or her financial interest or the financial interest of any corporation, partnership, association or other entity in which he or she is interested, in violation of any Federal, State or City statute, ordinance or regulation. Contractor shall not employ any such person while this Agreement is in effect.

B. Contractor represents, warrants and covenants that he, she or it presently has no interest, direct or indirect, which would interfere with or impair in any manner or degree the performance of Contractor's obligations and responsibilities under this Agreement. Contractor further agrees that while this Agreement is in effect, Contractor shall not acquire or otherwise obtain any interest, direct or indirect, that would interfere with or impair in any manner or degree the performance of Contractor's obligations and responsibilities under this Agreement.

C. Contractor represents and warrants that it has not provided or promised to provide any gift or other consideration, directly or indirectly, to any officer, employee, or agent of ICLT to obtain ICLT's approval of this Agreement. Contractor shall not, at any time, have any financial interest in this Agreement or the project that is the subject of this Agreement other than the compensation to be paid to Contractor as set forth in this Agreement. In the event the work and/or services to be performed hereunder relate to a project and/or application under consideration by or on file with the ICLT, (i) Contractor shall not possess or maintain any business relationship with the applicant or any other person or entity which Contractor knows to have a personal stake in said project and/or application, (ii) other than performing its work

and/or services to ICLT in accordance with this Agreement Contractor shall not advocate either for or against said project and/or application, and (iii) Contractor shall immediately notify ICLT in the event Contractor determines that Contractor has or acquires any such business relationship with the applicant or other person or entity which has a personal stake in said project and/or application. The provisions in this Section shall be applicable to all of Contractor's officers, directors, employees, and agents, and shall survive the termination of this Agreement.

D. Contractor acknowledges that pursuant to the provisions of the Political Reform Act (Government Code section 87100 *et seq.*), ICLT may determine Contractor to be a "Consultant" as that term is defined by the Act. In the event ICLT makes such a determination, Contractor agrees to complete and file a "Statement of Economic Interest" with the ICLT Clerk to disclose such financial interests as required by ICLT. In such event, Contractor further agrees to require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" to disclose such other person's financial interests as required by ICLT.

3.18 Contractor Ethics. Contractor represents and warrants that it has not provided or promised to provide any gift or other consideration, directly or indirectly, to any officer, employee, or agent of ICLT to obtain ICLT's approval of this Agreement. Contractor shall not, at any time, have any financial interest in this Agreement or the project that is the subject of this Agreement other than the compensation to be paid to Contractor as set forth in this Agreement. In the event the work and/or services to be performed hereunder relate to a project and/or application under consideration by or on file with the ICLT, (i) Contractor shall not possess or maintain any business relationship with the applicant or any other person or entity which Contractor knows to have a personal stake in said project and/or application, (ii) other than performing its work and/or services to ICLT in accordance with this Agreement Contractor shall not advocate either for or against said project and/or application, and (iii) Contractor shall immediately notify ICLT in the event Contractor determines that Contractor has or acquires any such business relationship with the applicant or other person or entity which has a personal stake in said project and/or application. The provisions in this Section shall be applicable to all of Contractor's officers, directors, employees, and agents, and shall survive the termination of this Agreement.

3.19 Compliance with California Unemployment Insurance Code Section 1088.8. If Contractor is a Sole Proprietor, then prior to signing the Agreement, Contractor shall provide to the ICLT a completed and signed Form W-9, Request for Taxpayer Identification Number and Certification. Contractor understands that pursuant to California Unemployment Insurance Code Section 1088.8, the ICLT will report the information from Form W-9 to the State of California Unemployment Development Department, and that the information may be used for the purposes of establishing, modifying, or enforcing child support obligations, including collections, or reported to the Franchise Tax Board for tax enforcement purposes.

SECTION FOUR: MISCELLANEOUS PROVISIONS

4.1 Records and Reports. The ICLT Executive Director or his/her designee of the ICLT reserves the right to audit the Contractor's compliance with all of the terms and conditions of this Agreement at any time. Upon request by ICLT, Contractor shall prepare and submit to ICLT any reports concerning Contractor's performance of the services rendered under this

Agreement. ICLT shall have access, with 72 hours advance written notice delivered to Contractor, to the books and records of Contractor related to Contractor's performance of this Agreement in the event any audit is required. All drawings, documents, and other materials prepared by Contractor in the performance of this Agreement (i) shall be the property of ICLT and shall be delivered at no cost to ICLT upon request of ICLT or upon the termination of this Agreement, and (ii) are confidential and shall not be made available to any individual or entity without prior written approval of ICLT. Contractor shall keep and maintain all records and reports related to this Agreement for a period of three (3) years following termination of this Agreement, and ICLT shall have access to such records in the event any audit is required.

4.2 Notices. Unless otherwise provided herein, all notices required to be delivered under this Agreement or under applicable law shall be personally delivered, or delivered by United States mail, prepaid, certified, return receipt requested, or by reputable document delivery service that provides a receipt showing date and time of delivery. Notices personally delivered or delivered by a document delivery service shall be effective upon receipt. Notices delivered by mail shall be effective at 5:00 p.m. on the second calendar day following dispatch. Notices to the ICLT shall be delivered to the following address, to the attention of the ICLT Representative set forth in Paragraph D.1 of the Fundamental Terms of this Agreement:

To ICLT: Irvine Community Land Trust
One Civic Center Plaza (92606) (Hand Deliveries)
P. O. Box 19575
Irvine, CA 92623-9575

Notices to Contractor shall be delivered to the address set forth below Contractor's signature on Part I of this Agreement, to the attention of Contractor's Representative set forth in Paragraph D.2 of the Fundamental Terms of this Agreement. Changes in the address to be used for receipt of notices shall be effected in accordance with this Section 4.2.

4.3 Construction and Amendment. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The headings of sections and paragraphs of this Agreement are for convenience or reference only, and shall not be construed to limit or extend the meaning of the terms, covenants and conditions of this Agreement. This Agreement may only be amended by the mutual consent of the parties by an instrument in writing.

4.4 Severability. Each provision of this Agreement shall be severable from the whole. If any provision of this Agreement shall be found contrary to law, the remainder of this Agreement shall continue in full force.

4.5 Authority. The person(s) executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

4.6 Special Provisions. Any additional or supplementary provisions or modifications or alterations of these General Provisions shall be set forth in Part III of this Agreement ("Special Provisions").

4.7 Precedence. In the event of any discrepancy between Part I ("Fundamental Terms"), Part II ("General Provisions"), Part III ("Special Provisions"), Part IV ("Scope of Services"), and/or Part V ("Budget"), Part III shall take precedence and prevail over Parts I, II, IV and V; Part II shall take precedence and prevail over Parts I, IV and V; Part IV shall take precedence and prevail over Parts I and V; and Part V shall take precedence over Part I.

PART III

SPECIAL PROVISIONS

- 1) **Business License Requirement.** Contractors who provide services for the ICLT within the city limits of Irvine shall obtain, within five (5) days of executing this Agreement and prior to commencing any work herein, a City of Irvine business license and shall maintain a current business license throughout the term of this Agreement.
- 2) **Subcontracting with the City of Irvine.** The ICLT has subcontracted certain administrative services to the City of Irvine which shall include but not be limited to such services as purchasing, contracting, risk management, accounting and other services. This subcontracting relationship shall in no way be construed as acceptance of liability by the City of Irvine, which is acting solely as a third party provider of certain administrative services as set forth herein.
- 3) PART II GENERAL PROVISIONS, Section 2.1.1 - D. Professional Liability Insurance, is deleted in its entirety.

PART IV

SCOPE OF SERVICES

The following services are needed by the ICLT to facilitate its affordable housing program and production capacity and also ensure the non-profit status, implementation program, business development and housing acquisition/production efforts of the ICLT.

1. Preparation of development project scenarios.
2. Assistance in negotiations with development partners.
3. Outlining land trust financial structures and providing recommendations on proposed projects.
4. Outlining legal structures for agreements and identifying key legal documents for proposed projects.
5. Advising the ICLT regarding modifying agreements and legal documents to meet the requirements of specific project related financing sources and briefing the ICLT regarding how this has been done by other community land trusts in similar circumstances.
6. Provide recommendations for the ICLT's role in development partnership agreements.
7. Assist in preparing terms sheets and Memorandums of Understanding for the ICLT development partnerships.
8. Prepare financial models of long term affordability of home ownership units based on proposed financing structures, funding source obligations and initial pricing.
9. Prepare financial models of project fees to determine business plan and staffing requirements for the ICLT.
10. Assist in preparing a multi-year business plan for the ICLT, consistent with the City of Irvine's approved housing strategy and with the goal of self-sustainability by the ICLT.
11. Represent the ICLT to public agencies, lenders, realtors, title companies and various other entities that would be partners on ICLT units.
12. Assist in identifying mortgage financing for the sale of ICLT homes which is consistent with the retention of the ownership of the land by the ICLT.
13. Coordination of acquisitions and resale of ICLT homes including inspections, identifying qualified applicants, submitting purchase offers, and negotiation of final acquisition prices and terms.
14. Coordination of home buyer selection process, including initiating marketing activities, identifying qualified applicants and organizing home buyer orientation meetings.
15. Assist in making inspections of ICLT homes and preparing work write ups for rehabilitation of homes prior to sale.
16. Assist in preparing and submitting applications for grant funding from foundations, state and/or federal sources.
17. Assist in representing the ICLT at various marketing and outreach efforts of funding, conferences, workshops, home buyer fair, etc.
18. Assist in the management of the ICLT home buyer process, which includes working with Neighborhood Housing Services of Orange County.
19. Maintain and update, as necessary, the ICLT web site and ensure (including all costs to ensure) domain name and email address are included in proposal (note that a sub consultant is acceptable).
20. Assist the ICLT Executive Director in making recommendations on business strategy, financing strategy and production efforts to the Board of Directors.

21. Provide real estate comparables and trend information to the ICLT on real estate within the Orange County regions and specifically the City of Irvine. Information should include access to all commercial, industrial, office and residential properties.

PART V
BUDGET

Contractor shall provide services on a time and materials basis as set forth below (plus approved reimbursable expenses), as required by the ICLT.

<u>Consultant</u>	<u>Rate</u>
Adam Eliason	\$135.00/hour
John Trauth	\$195.00/hour
Rick Jacobus	\$150.00/hour
Project Manager	\$85.00/hour

Reimbursable expenses related to the scope of work will be billed at cost to include but not be limited to mileage, travel costs, meals, ICLT website management, property inspection reports, appraisals, overnight fees, postage, office supplies, copying and conference call fees for calls of more than three people and initiated by Contractor.

Included in the Budget are all ordinary and overhead expenses incurred by Contractor and its agents and employees, including meetings with ICLT representatives, and incidental and reimbursable costs incurred in performing under this Agreement. The total annual compensation for the Scope of Services set forth shall not exceed **\$80,000.00**, including all amounts payable to Contractor for its overhead, payroll, profit, and all costs of whatever nature, including without limitation all costs for subcontracts, materials, equipment, supplies, and costs arising from or due to termination of this Agreement.

Payment for services will be made monthly on invoices deemed satisfactory to the ICLT, with payment terms of net 30 days upon receipt of invoice. Contractor shall submit invoices within fifteen (15) days from the end of each month in which services have been provided. Contractor shall provide invoices with sufficient detail to ensure compliance to pricing as set forth in this Agreement. The information required may include: date(s) of work, hours of work, hourly rate(s), and material costs.

No work shall be performed in connection with this Agreement until the receipt of a signed ICLT Purchase Order. The Purchase Order number must be included on all invoices, along with the ICLT Representative's name. Failure to include this information on the invoice shall result in the return of the unpaid invoice.

Contractors should submit invoices electronically to:

invoicesubmittal@cityofirvine.org

Payment by ICLT under this Agreement shall not be deemed as a waiver of the ICLT's right to claim at a later point that such payment was not due under the terms of this Agreement.

Exhibit 1

WORKERS' COMPENSATION INSURANCE CERTIFICATION

Contract Services Description: _____

WORKERS' COMPENSATION DECLARATION

I hereby affirm under penalty of perjury one of the following declarations:

(ONE OF THE BOXES BELOW MUST BE CHECKED)

I have and will maintain a certificate of consent from the California Labor Commission to self-insure for workers' compensation, as provided for by Section 3700 of the Labor Code, for the performance of the work to be performed under this Agreement.

I have and will maintain workers' compensation insurance, as required by Section 3700 of the Labor Code, for the performance of the work to be performed under this Agreement. My workers' compensation insurance carrier and policy number are:

Carrier _____

Policy Number _____

I certify that, in the performance of the work under this Agreement, I shall not employ any person in any manner so as to become subject to the workers' compensation laws of California, and I hereby agree to indemnify, defend, and hold harmless ICLT and all of its officials, employees, and agents from and against any and all claims, liabilities, and losses relating to personal injury or death, economic losses, and property damage arising out of my failure to provide such worker's compensation insurance. I further agree that, if I should become subject to the workers' compensation provisions of Section 3700 of the Labor Code, I shall forthwith comply with those provisions.

WARNING: FAILURE TO SECURE WORKERS' COMPENSATION COVERAGE IS UNLAWFUL, AND SHALL SUBJECT AN EMPLOYER TO CRIMINAL PENALTIES AND CIVIL FINES UP TO ONE HUNDRED THOUSAND DOLLARS (\$100,000), IN ADDITION TO THE COST OF COMPENSATION, DAMAGES AS PROVIDED FOR IN SECTION 3706 OF THE LABOR CODE, INTEREST, AND ATTORNEY'S FEES.

Dated:	
Contracting Firm:	
Signature:	
Title:	
Address:	