

LISTING SUPPLEMENT

This Listing Supplement is intended to provide prospective purchasers with additional information concerning 544 Bernard Street, Costa Mesa (“the property”), the submission and review of purchase offers and the Court approval process.

General Information

In January, 2022, the Orange County Superior Court appointed Eric Beatty as the Receiver for the property (“the Receiver”) pursuant to *Health and Safety Code* section 17980.7. The Receiver was appointed for the purpose of overseeing the performance of a number of repairs to the property.

The Court has authorized the Receiver to list and sell the property in its current condition to a purchaser qualified to complete its renovation.

Marketing Period

The Receiver will review all purchase offers submitted on October 14, 2026.

Showings of the Property

Given the condition of the property, unsupervised showings are not possible. The listing agent must be present to oversee all showings of the property- no exceptions.

The listing agent has set aside multiple dates upon which the property will be available for showings with the listing agent. Please contact the listing agent to schedule a showing time on one of the showing dates.

Offers and Required Supporting Documentation

Offers must be submitted on the CAR Residential Purchase Agreement and Joint Escrow Instructions form. Please provide until October 14, 2026 for a response to your offer.

Given the property’s condition, it will not qualify for traditional purchase financing. All-cash offers will be given priority consideration over offers subject to loan qualification and appraisal contingencies.

Offers subject to interior inspection, the sale of the purchaser’s residence or seller financing will not be considered.

Your offer must include verification of funds sufficient to cover the purchase price or the down payment and closing costs. This must be in the form current account statements vested in your name. Offers submitted without the required verification of funds will not be considered.

Your offer must also include a fully-executed Purchaser Disclosure, the form of which is attached to this Listing Supplement. Offers submitted without a fully-executed Purchaser Disclosure may not be considered.

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As-Is Sale

The Receiver's sale, and your purchase, of the property will be "as-is" without any representations or warranties concerning its condition, history, entitlements or use- no exceptions.

Compliance Agreement

A critical component of your purchase of the property will be your agreement to complete its renovation. You must be both qualified by finances, experience and knowledge and willing to enter into an agreement with the City of Costa Mesa pursuant to which you agree to complete the renovation of the property within an agreed-upon period of time from close of escrow- a Compliance Agreement.

The Receiver has assessed the property and developed a plan for its renovation, known as a Rehabilitation Plan and Cost Estimate. The Receiver will obtain approval of building plans for the renovation of the property from the City of Costa Mesa pursuant to which the front residence will be legalized and rehabilitated as a duplex and the rear residence remaining unchanged.

The Receiver's rehabilitation plans, assessment reports and photographs of the property, are available for you to download and review at the following link:

<https://drive.google.com/drive/folders/1-tMa2BDbsOkLALxDuYBF3v5XeQ-du8?usp=sharing>

The building plans, landscaping plans, water and sewer permits are included in the sale price and will be transferred to the purchaser.

You are not required to agree to renovate the property strictly in accordance with the approved building plans. However, offers which include an agreement to enter into a Compliance Agreement and to renovate the property in accordance with the Receiver's building plans will be given priority consideration.

Acceptance of Offers and Court Approval

The Receiver's sale of the property is subject to Court approval and confirmation. Although the Receiver may accept your offer subject to your completion of due diligence, the Receiver will not seek Court approval of your purchase of the property until you have done all of the following:

1. Removed all contingencies to your purchase in writing;
2. Tendered a bank check for the required deposit funds to the Receiver; and
3. Entered into a Compliance Agreement with the City of Costa Mesa setting the terms of your renovation of the property.