INSTALLMENT LAND SALE AGREEMENT

This **Installment Land Sale Agreement** ('Agreement") is made July 9, 2001 at Laguna Beach, California, by Mohannad Malas, referred to in this Agreement as "Seller," and CAIR California Trust Holding Corporation referred to in this Agreement as "Buyer."

Recitals

WHEREAS, Buyer and Seller have completed the purchase of a certain real property located in Anaheim, California commonly known as 2180 W. Crescent Ave, Anaheim, CA 92801 the ("Property") for a sum of Eight Hundred and Fifty Thousand and 00/100 Dollars ($850,000.00) plus closing expenses which are approximated at Six Thousand Eight Hundred Eighty Three and 00/100 Dollars ($6,883.00); and

WHEREAS, Seller and Buyer presently hold title to the Property as Tenants in Common, Seller holding an undivided Fifty Percent (50%) interest in the Property and Buyer holding an undivided Fifty Percent (50%) interest in the Property; and

WHEREAS, Buyer desires to purchase Seller's undivided Fifty Percent (50%) interest in the Property at an agreed price and under specified terms and conditions;

NOW, THEREFORE, in consideration of the recitals, promises, terms, conditions and covenants of this Agreement it is hereby agreed as follows:

1. **Funding.** Buyer has deposited $50,000.00 in escrow and shall pay an amount of $350,000.00 to escrow on or before July 9, 2001. In addition, Buyer shall deposit $50,000.00 into an account for Tenant Improvements. The above-mentioned monies constitute Buyer's 50% share in the Property. Seller shall finalize the necessary payments, documents and trust deed required to close the purchase of the Property on or before July 9, 2001. Buyer shall cooperate with Seller to execute such documents that will be reasonably required to complete the proposed transaction, including the execution by Buyer of a trust deed offering the Property as Collateral for the Seller's bank loan.

2. **Ownership.** Upon the close of escrow on or about July 9, 2001, Seller and Buyer shall hold title to the Property as Tenants in Common, Seller holding an undivided Fifty Percent (50%) interest in the Property and Buyer holding an undivided Fifty Percent (50%) interest in the Property.

3. **Installment Contract.** Buyer shall purchase Seller's undivided Fifty Percent (50%) interest in the Property at the agreed price and under the terms and conditions listed below.

   (a) **Price.** The agreed price that Buyer shall pay for Seller's undivided Fifty Percent (50%) interest shall be Five Hundred Sixty Thousand and 00/100 Dollars ($560,000.00).

   (b) **Payments.** The balance of Five Hundred Sixty Thousand and 00/100 Dollars ($560,000.00) shall be paid in installments, the fist of which for an amount of One Hundred Thousand Dollars ($100,000.00), then monthly installments of Seven Thousand and Twenty Six Dollars and 67/100 Dollars ($7,026.67) per month, payable on or before the First day of every month commencing August 1, 2001, and continuing until the full amount of the Purchase Price is paid, not exceeding Five (5) years. Nothing in this Subparagraph (b) or any other provision of this Agreement shall be construed to preclude and/or prohibit Buyer from prepaying any portion of the obligation under this Agreement. All installments under this Agreement shall be payable to Seller at 32392 Pacific Coast Highway Suite 150, Laguna Beach, California, 92651 or any other place or places designated by Seller from time to time by written notice. When Seller receives payments, Seller shall, in turn, remit each installment to Seller's Lender in order to reduce Seller's obligation to Bank. It is agreed, understood and acknowledged that Seller's associated holding costs are not under the control of Seller and may be adjusted from time to time. For this reason, on or before Sixty (60) days prior to the end of the terms of this Agreement (June 6, 2006), Seller shall provide a written payment reconciliation report to Buyer detailing the amount of payments made by Buyer and the holding costs associated with Seller's ownership of the Property during the term of this Agreement. Any debit or credit adjustment resulting from this Reconciliation shall be made to Buyer's final payment due under this Agreement. In no event shall this Agreement require more than Five (5) years to complete in accordance with its terms.

(c) **Third Party Beneficiary.** It is agreed and understood that Cedars Bank whose address is 444 South Flower Street, Suite 1400, Los Angeles, California 90071, is Seller's lender and has extended a loan to Seller to acquire the Property and by this declaration is an identified, intended third party beneficiary of this Agreement.

4. **Outstanding Encumbrances.** The Property is subject to the following encumbrance that is outstanding at the date of this Agreement and will be paid by Seller according to its terms: A Deed of Trust recorded in Book ________________ at Page ________________ of the Official Records in the Office of the County Recorder of Orange County, California, securing a promissory note dated ________________, 2001, in the principal amount of $ ________________.

5. **Recordation and Title Insurance.** Upon the execution of this Agreement by the parties, Trustee shall cause it to be recorded in the Office of the County Recorder of Orange County, California. Upon recordation, Seller and Buyer shall obtain title insurance policies issued by ________________________[name of title company] insuring their interests in this Agreement. This shall be done at the expense of Buyer.

6. **Possession and Legal Title.** Buyer shall be entitled to enter into possession of the Property on the date this Agreement is recorded or on July 9, 2001 and to continue in possession of the Property so long as Buyer is not in default in the performance of this Agreement. Seller shall retain legal title as a security interest in the Property until Buyer has paid the balance of the purchase price as required by this Agreement.

7. **Encumbrances by Seller.** Seller, after the date of this Agreement, shall not in any manner encumber the Property without the written consent of Buyer.

8. **Appointment and Powers of Trustee.** Upon recordation of this Agreement, Buyer and Seller irrevocably grant, transfer, and assign their respective right, title, and interest in the Property to ____________________ ____________________________[Name of Trustee] as Trustee for the purpose of securing Buyer's and Seller's obligations under this Agreement and hereby confer upon Trustee the following powers:

(a) Power to convey to Buyer legal title to the Property upon full satisfaction of Buyer's obligations to Seller and Seller's Lender, upon receipt of a written declaration made under penalty of perjury by Seller and Seller's Lender that that the purchase price and all other amounts to be paid by Buyer pursuant to this Agreement and all other agreements related hereto have been fully paid as provided; and

(b) Power to convey to Seller legal title to the Property upon Buyer's Default as defined in Paragraph 20 below of its obligations to Seller, upon receipt of a written declaration made under penalty of perjury by Seller that Buyer is in Default.

9. **Acceptance by Trustee.** Trustee accepts this Trust when this Agreement, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party to this Agreement of pending sale under any other Agreement or of any action or proceeding in which Buyer, Seller, or Trustee shall be a party unless brought by Trustee.

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10. **Substitution of Trustee.** Seller, or any successor in ownership of any indebtedness secured by this Agreement, may from time to time, by written instrument, substitute a successor or successors to any Trustee named in or acting under this Agreement. The substitution instrument must contain the name of the original Buyer, Trustee, and Seller under this Agreement, the book and page where this Agreement is recorded, and the name and address of the new Trustee. When executed by Seller and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, the substitution instrument shall be conclusive proof of proper substitution of the successor Trustee or Trustees. Any successor Trustee or Trustees shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers, and duties.

11. **Taxes and Assessments.** The tax estimate on which this Agreement is based is the tax bill for the fiscal year. Except as otherwise provided in this Agreement, Buyer shall pay, at least 10 days before their due date, all general and special taxes, liens, and charges, including all assessments of every nature, levied, assessed, or accruing on the Property after the execution of this Agreement. For these purposes, all taxes, assessments, and insurance premiums pertaining to the Property shall be prorated on the basis of a 30-day month as of the date of this Agreement.

12. **Insurance.** Buyer, during the continuance of this Agreement, shall insure and keep insured, at Buyer's own cost and expense, for their full replacement value, all buildings and improvements located on the Property against loss by fire or the elements, with an insurance company acceptable to Seller and for Seller's benefit as Seller's interest may appear.

13. **Destruction or Condemnation of Property.** Destruction of, or damage to, any building or other improvement now or hereafter placed on the Property, or of any personal property described in this Agreement, whether from fire or any other cause, including the taking of the Property, or any part of the Property, for public use, shall not release Buyer from any of its obligations under this Agreement. It is expressly understood that Buyer bears all risk of loss of, or damage to, the Property. If any part of the Property is taken for public use, the portion of the condemnation award remaining after payment of reasonable expenses of procuring the award, shall be paid to Seller and applied as payment on the purchase price under this Agreement or by payment to the beneficiary of the prior encumbrance listed in Paragraph 4 of this Agreement as required by the terms of that encumbrance, unless Seller and the beneficiary elect to allow Buyer to apply all or a portion of the condemnation award to the rebuilding or restoration of any improvements damaged by the taking. In case of damage or destruction from a peril insured against, the proceeds of the insurance remaining after payment of the reasonable expenses of procuring the insurance and the proceeds shall be devoted to the restoration or rebuilding of the improvements within a reasonable time unless Buyer elects that the proceeds shall be paid to Seller or beneficiary of the prior encumbrance listed in Paragraph 4 of this Agreement.

14. **Good Condition and Repair.** Buyer agrees that the Property and the buildings and improvements on the Property are, at the date of this Agreement, in good condition, reasonable wear and tear excepted, and that Buyer shall, at Buyer's own cost and expense, maintain the Property and the buildings and improvements on the Property in the same condition that they are in on the date of this Agreement.

15. **Right of Inspection.** Seller shall have the right to enter on and inspect the Property and the buildings and improvements on the Property at least once each calendar month. All repairs required on the Property or the foregoing buildings and improvements noted by Seller shall be made by Buyer, at Buyer's own cost and expense, within 10 days after Buyer receives written notice from Seller.

16. **Waste and Removal of Buildings.** Buyer shall not remove or permit the removal from the Property of any building or other improvement located on the Property without Seller's prior written consent, nor shall Buyer commit or permit to be committed any waste of the Property or of any building or improvement on the Property.

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17. **Alterations Prohibited.** Buyer will not renovate, remodel, or alter any building or improvement now or hereafter situated on the Property, or construct any additional building or improvement on the Property without first providing Seller with written notice and plans for the work and getting Seller's written approval of the plans; such approval shall not be unreasonably withheld.

18. **Mechanics' Liens.** Buyer shall indemnify and hold Seller and the property of Seller, including Seller's interest in the Property, free and harmless from liability for any and all mechanics' liens or other expenses or damages resulting from any renovations, alterations, buildings, repairs, or other work placed on the Property by Buyer.

19. **Personal Injuries.** Buyer shall indemnify and hold Seller free and harmless from any and all demands, loss, or liability resulting from the injury to or death of any person or persons because of the negligence of Buyer or the condition of the Property at any time after the date possession of the Property is delivered to Buyer.

20. **Security Deposit.** As security for the faithful performance of Buyer's obligations under this Agreement, Buyer shall deposit with Seller an amount of not less than Twenty Seven Thousand Ninety Seven and 32/100 Dollars ($27,097.32). Upon receipt of the Security Deposit from Buyer, Seller shall deposit same in a Federally Insured Bank. Seller only shall use these sums or a portion thereof in the event Buyer fails to timely tender payments under this Agreement. In the event Seller is required to use said Security Deposit as provided in this provision, it is agreed and understood that Buyer shall deposit with Seller an amount equal to the sums expended by Seller. Except as provided herein, at no time during the term of this agreement shall Buyer permit the Security Deposit to fall to a $00.00 balance for more than Five (5) days.

21. **Assignment of Rents.** As additional security, Buyer hereby gives to and confers upon Seller the right, power, and authority during the continuance of the Trust created by this Agreement, to collect the rents, issues, and profits of the Property to satisfy the obligations under the terms of this Agreement, but Buyer reserves the right, prior to any default by Buyer in the payment of any indebtedness secured by this Agreement or in the performance of any provision under this Agreement, to collect and retain the rents, issues, and profits as they become due and payable. Upon any such default, Seller may, without notice and without regard to the adequacy of the security for the indebtedness secured by this Agreement, either personally or by agent or court-appointed receiver, do the following: enter upon and take possession of the Property or any part of the Property; sue for or otherwise collect the rents, issues, and profits, including those past due and unpaid; and apply the rents, issues, and profits, less costs and expenses of operation and collection (including reasonable attorneys' fees), upon any indebtedness secured by this Agreement, in any order determined by Seller. The exercise of the foregoing rights by Seller shall not cure or waive any default or notice of default under this Agreement or invalidate any act done pursuant to such a notice.

22. **Payments by Seller.** If Buyer fails to satisfy his obligation under this Agreement to pay any amount for taxes, assessments, or insurance before the amount becomes delinquent, Seller may, at his option, pay the amount from the Security Deposit as provided in Paragraph 18. If Seller pays the amount, the Security Deposit shall be entitled to immediate reimbursement of such payment under the terms of this Agreement. In addition, any amount paid by Seller pursuant to this Section shall require Buyer to pay as liquidated damages to Seller an amount of Ten Percent (10%) of the payment made by Seller.

23. **Default.** The occurrence of any of the following, whatever the reason therefor, shall constitute an "Default" hereunder:

    (a) The occurrence of any "Default" under the Loan Agreement,

    (b) A Default under any other document or agreement secured hereby,

(c) The Security Deposit held by Seller pursuant to Paragraph 18 reaches a $00.00 balance and Buyer fi to replenish same to a balance of Twenty Seven Thousand Ninety Seven and 32/100 Doll ($27,097.32) within Five (5) days.

24. **Conveyance upon Buyer's Default.** Buyer has executed a good and sufficient deed conveying to Sel good and marketable title to the Property and will deposit same with Trustee along with instructions t said deed shall only be delivered to Seller upon receipt by Trustee of written memorandum from Sel declaring under penalty of perjury that Buyer is in Default of its obligations under this Agreement. In event that Trustee delivers the deed to Seller prior to receipt of the above-mentioned memorandum m under penalty of perjury, said unauthorized delivery from Trustee to Seller shall by this provision extingu Buyer's intent to deliver and render the Buyer's delivery legally ineffectual.

25. **Conveyance on Full Performance.** Seller has executed a good and sufficient deed conveying to Bu good and marketable title to the Property and will deposit same with Trustee along with instructions t said deed shall only be delivered to Buyer upon receipt by Trustee of written memorandum from Seller a Seller's Lender declaring under penalty of perjury that the purchase price and all other amounts to be p by Buyer pursuant to this Agreement and all other agreements related hereto have been fully paid provided. In the event that Trustee delivers the deed to Buyer prior to receipt of the above-mentior memorandum, said unauthorized delivery from Trustee to Buyer shall by this provision extinguish Selle intent to deliver and render the Seller's delivery legally ineffectual.

26. **Management Agreement.** Seller and Buyer, as Tenants in Common, agree to use D. na Investments as property manager for the Property under such terms and conditions acceptable to both parties. Such terms be detailed under a separate management agreement. Such agreement shall provide for a Thirty (30) d termination clause that can be triggered by either party.

27. **Notices.** Unless otherwise provided in this Agreement, any notice, tender, or delivery to be given under th Agreement by either party to the other may be effected by personal delivery in writing or by registered certified mail, postage prepaid, return receipt requested, and will be deemed communicated as of five (days of mailing or actual receipt. Mailed notices must be addressed as set forth below, but each party m change its address by written notice in accordance with this paragraph.

Notice to Seller must be addressed as follows:	Mohammad Malas 32392 Pacific Coast Highway Suite 150 Laguna Beach, CA 92651
Notice to Buyer must be addressed as follows:	Council on American-Islamic Relations C/O Hussam Ayloush 2180 W. Crescent Avenue Suite 228 Anaheim, CA 92801

28. **Entire Agreement.** This instrument constitutes the entire agreement between the parties relating to t Installment Land Sale Agreement. Any prior agreements, promises, negotiations, or representations n expressly set forth in this Agreement are of no force and effect. Any amendment to this Agreement will l of no force and effect unless it is in writing and signed by the Seller and Buyer.

29. **Waiver.** The waiver of any breach of this Agreement by either party shall not constitute a continuing waiv or a waiver of any subsequent breach either of the same or another provision of this Agreement.

30. **Attorneys' Fees.** If any legal action or proceeding arising out of or relating to this Agreement is brought either party to this Agreement, the prevailing party will be entitled to receive from the other party,

addition to any other relief that may be granted, the reasonable attorneys' fees, costs, and expenses incurred in the action or proceeding by the prevailing party.

31. **Binding Effect.** This promises, terms, conditions and covenants of this Agreement are irrevocable and will be binding on and inure to the benefit of the parties to this Agreement and their heirs, personal representatives, successors, and assigns except as otherwise provided in this Agreement.

32. **Assignments Prohibited.** Buyer shall not transfer, sell, or assign Buyer's interest in the Property unless the transfer, sale, or assignment may be consummated without acceleration of any senior encumbrance on the Property. In the event of an acceleration of any senior encumbrance by reason of a transfer, sale, or assignment by Buyer, the total amount of unpaid installments due under this Agreement shall be immediately due and payable to Seller in order to protect Seller against the loss of Seller's security interest in this Agreement.

33. **Time of Essence.** Time is expressly declared to be of the essence.

Executed on July 9, 2001 at Laguna Beach, Orange County, and California.

SELLER: Mohannad Malas
32332 Pacific Coast Highway Suite 150
Laguna Beach, CA 92651

Printed Name: MOHANNAD MALAS

Title:____________________

Signature:____________________

ACKNOWLEDGMENT

State of California County of Orange.

On July 9, 2001 before me, personally appeared ____________________ [name(s) of person(s) signing instrument], ____________________ [personally known to me or proved to me on the basis of satisfactory evidence] to be the person[s] whose name [s] __________ [is or are] subscribed to the within instrument and acknowledged to me that __________ [he or she or they] executed the same in __________ [his or her or their] authorized __________ [capacity or capacities], and that by __________ [his or her or their] signature [s] on the instrument the person [s], or the entity upon behalf of which the person [s] acted, executed the instrument.

WITNESS my hand and official seal.

Signature ____________________ [Seal]

[BUYER'S ACKNOWLEDGEMENT ON NEXT PAGE]

BUYER: Council on American-Islamic Relations
2180 W. Crescent Avenue Suite 228
Anaheim, CA 92801

Printed Name: Hussam Aylousch

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Title: Executive Director - CAIR-LA

Signature: [signature]

ACKNOWLEDGMENT

State of California County of Orange.

On July 9, 2001 before me, personally appeared ______________________________ [name(s) of person(s) signing instrument], __________ ______________________________ [personally known to me or proved to me on the basis of satisfactory evidence] to be the person[s] whose name [s] ______ __________ [is or are] subscribed to the within instrument and acknowledged to me that ____________ ______ [he or she or they] executed the same in ____________ [his or her or their] authorized __________ ______________ [capacity or capacities], and that by ________________ [his or her or their] signature [s] on the instrument the person [s], or the entity upon behalf of which the person [s] acted, executed the instrument.

WITNESS my hand and official seal.

Signature ______________________________ [Seal]