



Date: October 9, 2021

To: Board of Directors

From: Kevin Sved, CEO

Subject: Consulting Agreement with Elizabeth Sanborn DBA Benchmark Realty Advisors

While Navigator Schools continues to explore long-term facility solutions for Hollister Prep School (HPS) in partnership with the Hollister School District, it is becoming clear that we also need to seek alternative strategies including identifying possible vacant land for new school development. As a result of our successful partnership with Pacific Charter School Development (PCSD) in creating a long-term solution for Watsonville Prep, PCSD is providing support to address the needs of HPS. PCSD recommends Navigator contract the services of Elizabeth Sanborn in the effort of identifying suitable land development opportunities. Navigator worked with Ms. Sanborn while pursuing alternate sites in Watsonville as well as in Gilroy when plans for California's high-speed rail project analyzed pathways that went through the Gilroy Prep School site..

The terms of the consulting agreement have been reviewed by our General Counsel and are in alignment with other PCSD projects. Under the terms of the agreement, the consultant will be compensated as part of the closing cost process if a purchase or long-term lease is executed.

Recommendation

It is recommended that the Board authorize the CEO to execute the attached consulting agreement with Elizabeth Sanborn DBA Benchmark Realty Advisors.

CONSULTING SERVICE AGREEMENT

This Consulting Services Agreement (“Agreement”) is entered into and made effective this 1st day of August, 2021 between Elizabeth Sanborn Falcon, dba Benchmark Realty Advisors (“CONSULTANT”) and Navigator Schools (“NAVIGATOR”).

NAVIGATOR intends to acquire a property in Hollister, CA, within the boundaries of Hollister Elementary School District that can be used for a long-term charter school facility, either in conjunction with the current facility at 881 Line Street or as a replacement for that facility. NAVIGATOR desires for the term hereof to utilize the services of CONSULTANT as its agent in the negotiation of the purchase or lease of sites within those boundaries. CONSULTANT is ready, willing and able to provide such services on the terms set forth below.

1) TERM: NAVIGATOR appoints CONSULTANT as its non-exclusive agent for the negotiation of the purchase or lease of any sites in Hollister, CA within the boundaries of Hollister Elementary School District for a period of twelve (12) months commencing August 1, 2021 and ending July 31, 2022.

2) SERVICES TO BE PERFORMED: CONSULTANT shall use her best efforts to:

- (a) Identify potential sites and negotiate Lease, Purchase and/or Option Contracts on terms and conditions acceptable to NAVIGATOR,
- (b) Research Watsonville land use regulations and work the City of Hollister along with Navigator’s other consultants to determine the feasibility of obtaining all required entitlements for use of identified sites as a charter school facility.
- (c) Work with NAVIGATOR’s legal counsel to finalize contract documentation.
- (d) Maintain appropriate communication and working relationship with property owner(s) during the contingency and escrow periods.

3) COMPENSATION:

CONSULTANT will be compensated through a Closing Fee. For a purchase transaction, the Closing Fee will be 5% of the purchase price and will be paid at close of escrow. For a lease transaction, the Closing Fee will be 5% of the first 5 years rent and 2.5% of the rent for the balance of the lease term and will be paid upon removal of all contingencies to the lease agreement. In the event that a property on the Benchmark List (as defined below in paragraph 4) is donated to NAVIGATOR, the Closing Fee will be based on the offering or letter of intent price. If no offer or letter of intent is submitted, the compensation will be based on appraised value.

Any fees paid to CONSULTANT by the Seller or property owner in connection with a transaction shall be offset against the Closing Fee which would otherwise be due from NAVIGATOR for that transaction.

4) BENCHMARK LIST: During the term of this Agreement CONSULTANT will maintain a list of properties that have been presented to NAVIGATOR by CONSULTANT. (“the Benchmark List”). The Benchmark List will be updated periodically throughout the term of the Agreement by CONSULTANT and presented to NAVIGATOR for approval. For the period of this Agreement, NAVIGATOR agrees that CONSULTANT will be the agent representing NAVIGATOR for any properties on the Benchmark List.

5) CONSULTANT WARRANTIES: CONSULTANT represents and warrants the following:

- (a) CONSULTANT is a licensed real estate Broker in the State of California and shall maintain such license in good standing during the Term.
- (b) CONSULTANT does not have any relationship with the owner of any property that would create a conflict of interest with CONSULTANT’S performance of her responsibilities hereunder.
- (c) CONSULTANT shall not enter into any brokerage or consulting agreement during the Term hereof that could create a conflict of interest with CONSULTANT’S performance of her responsibilities hereunder.

6) NAVIGATOR WARRANTIES: NAVIGATOR will not take action, or withhold action, that would frustrate CONSULTANT’S fulfillment or performance of this agreement.

7) TERMINATION: Notwithstanding the foregoing, this Agreement may be terminated by either party upon thirty (30) days written notice to both the street addresses and e-mail addresses shown in paragraph 12 below. In the event there are properties under purchase or lease contract or in letter of intent negotiations at the time of termination or expiration of the Term, then CONSULTANT will continue to perform her responsibilities with regard to those properties and CONSULTANT will be compensated in accordance with paragraph 3 above.

8) ATTORNEYS’ FEES: In the event of any action related to or arising out of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party such prevailing party’s reasonable attorney’s fees, court costs, expert witness fees, and other expenses related to such attempt to recover, including reasonable fees, costs, and expenses on appeal.

9) APPLICABLE LAW: This Agreement shall be governed by the laws of the State of California without giving effect to the provisions thereof relating to conflict of laws.

10) ASSIGNMENT: CONSULTANT shall not assign any of her rights or interests in this Agreement. NAVIGATOR shall have the right to assign to a related entity.

11) MODIFICATION: Any modification of the Agreement shall be in writing and must be signed by both CONSULTANT and NAVIGATOR.

12) NOTICES: Any notices required or permitted hereunder shall be given by certified mail, facsimile, overnight courier or e-mail addressed as set forth below:

CONSULTANT: Benchmark Realty Advisors
 900 E. Hamilton Avenue, Suite 100
 Campbell, CA 95008
 Attn: Elizabeth Sanborn Falcon
 esanborn@pacbell.net
 408-885-1110
 831-402-3900 (mobile)

NAVIGATOR: Navigator Schools
 277 IOOF Ave.
 Gilroy, CA 95020
 Attn: Kevin Sved, Chief Executive Officer
 ksved@navigatorschools.org
 (408) 337-5445

13. MISCELLANEOUS: If any provision hereof is unenforceable or invalid, it shall be given effect to the extent it may be enforceable or valid, and such unenforceability or invalidity shall not affect the enforceability or validity of the other provisions of this Agreement. Any waiver of any of the terms hereof shall be enforceable only to the extent it is waived in a writing signed by the party against whom the waiver is sought to be enforced. Any waiver shall be effective only for the particular instance for which it is granted and shall not constitute a waiver of a subsequent occurrence of the waived event nor constitute a waiver of any other provision hereof, at the same time or subsequently. This Agreement supersedes any other agreements or understandings, oral or written, between NAVIGATOR and CONSULTANT regarding the subject matter hereof. Any number of counterparts of this Agreement may be executed and each shall have the same force and effect as an original.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

IN WITNESS THEREOF, the parties have executed this Agreement as of the date and year hereinabove written.

BENCHMARK REALTY ADVISORS

NAVIGATOR

BY : Elizabeth Sanborn Falcon

BY : _____

DATE: 10/6/2021

DATE: _____