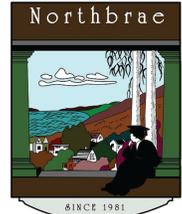


RECEIPT FOR DOCUMENTS



Listing Agent: Christian Thede

Property Address: 2836 Carmel, Oakland

Please have your clients sign the acknowledgement of receipt at the bottom of this page and include a signed copy with the submission of your offer. All information is believed to be accurate, but is not guaranteed. Buyers should conduct any and all inspections to answer questions they might have with regard to this property. These documents were all that were provided to agent by the seller(s). If the buyer has further questions regarding any reports, estimates, bids, etc., or requires additional documentation, we recommend the buyer contact the service provider directly. Disclosure documents and forms may contain references, including website addresses and internet links, to additional important material that is not printed on the document itself. Buyers and Sellers should investigate those links if they are not entirely satisfied with the document as it is presented to them.

Attached are the following documents:

DOCUMENT	# of PAGES
1. MLS Sheet & Flier	2
2. Real Estate Transfer Disclosure Statement	3
3. Agent Visual Inspection Disclosure	3
4. Seller Property Questionnaire	4
5. Receipt for Homeowners Booklet (<i>Booklet to be provided to Buyer by Buyer's Agent</i>)	1
6. Water Heater & Smoke Detector Statement of Compliance	1
7. Water Conserving Plumbing Fixtures & Carbon Monoxide Detector Notice	2
8. Lead-Based Paint Disclosure	2
9. Northbrae Properties Supplemental Lead Based Paint Disclosure	10
10. Residential Earthquake Hazards Report	1
11. Verification of Property Condition (<i>to be completed by buyer prior to COE</i>)	1
12. Notice to Buyers & Sellers re: FIRPTA	2
13. East Bay Disclosures & Disclaimers Advisory	21
14. East Bay Purchase Agreement Addendum (Please complete and submit with your offer)	3
15. Market Conditions Advisory (Please sign and submit with your offer)	2
16. Buyers Inspection Advisory	1
17. For Your Protection Get a Home Inspection	1
18. Statewide Buyers & Sellers Advisory	14
19. JCP Natural Hazards Disclosure & Tax Data Report	44
20. Square Footage Advisory & Lot Plan	2
21. HOA Buyers Advisory	2
22. HERS Testing	5
23. Permits	6
24. Sewer Lateral Compliance	3
25. McDonald Termite Report	10

The undersigned acknowledge receipts of all of the above documents.

Buyer: _____ Date: _____

Buyer: _____ Date: _____

26. JMC Home Inspection	32
27. Seller's List of Improvements	1
28. APCO Paving Invoice	1
29. HOA Docs	48
30. Old Republic Title Company Preliminary Title Report	13

CALL AGENT RE: OFFERS.

The undersigned acknowledge receipts of all of the above documents.

Buyer: _____ Date: _____

Buyer: _____ Date: _____

Condo

New **List Price: \$705,000**
2836 Carmel St **Unit:**
OAKLAND **CA** **94602**
MLS# 40874031 **Area: 2602** **Storie One**
Orig Price: \$705,000 **Sold Price:**
List Date: 7/12/2019 **Off Mkt Date:**
Pend Date: **COE:**
D/N/S: LINCOLN HEIGHTS
DMLS: 0 **CDMLS: 0**
Model: **Builder:**



**RECEIVED AND READ
DATE** _____



DocuSigned by: *Kevin Bai* DocuSigned by: *Julia X. Song*

Print/Email

Property Information

Bedrooms: 2	Yr Blt: 1943	Garage Spcs: 1	Total Rms: 5	Own Type:
Baths/Par: 1 / 0	Age: 76	Fireplaces: 1	# of Units: 3	% Own Occ: 66
SqFt: 1307	Acres: 0.000000	Pool: No	Units Floor: 1	TIC %:
Source: Measured	Lot SqFt: 0	ElemSchool Dist: Oakland (510) 879-8111		High School District: Oakland (510) 879-8111

Showing & Listing Information

Occ By: Call Agent **Occ Name:** **Occ Phone:** **Supra Box?:** Yes **Spec Info:** None
Show Info: Go and Show **24 Hr. Notice Req?:** No **Lockbox Location:** front door railing
Directions: Lincoln to Carmel **Cross St:** Coolidge **Associated Docs:** 0

List Type: Excl Right **Comp Selling Ofc:** 2.5 **% Dual/Variable:** No **List Service:** Full Service **LA-DRE#:** 01335015
List Agt: CHRISTIAN THEDE - 510-774-5927 **chris@northbrae.com** **Broker DRE#:** 01951376
Co-List: **List Ofc:** NORTHBRAE PROPERTIES - Off: 510-526-4336 **Agent Hit Count:** 16
Zoning: **APN:** 29-982-57-2 **Census Tract:** **Point of Sale Ord:** Yes **City Transfer Tax:** Yes **Client Hit Count:** 10

*****Remarks*****

This state-of-the-art 2+BD/1BA urban cottage combines understated elegance with recently upgraded modern finishes that optimize function. All nestled in the centralized yet quiet location of the highly desirable Lincoln Heights neighborhood. Masterfully renovated to accentuate the spacious, open-concept floor plan, and the abundance of natural light that spills in from every window. The form-follows-function layout optimizes the flow between well-proportioned bedrooms, designer bathroom, gourmet kitchen, living and dining areas that effortlessly transitions to the private yard and patio. As part of the extensive upgrades this cottage is equipped with all new, appliances, heater, on-demand hot-water heater, new electrical, Cat 6 wiring and high-end finishes throughout. A brand new driveway for off-street parking, a separate laundry room and ample storage allows for all of life's extras. Enjoy being just a few short blocks to Farmer Joes and other local favorites.

*****Confidential Remarks*****

Recent Condo conversion of 3 detached cottages no HOA fees. Open Sunday (July 14) 2:00 - 4:30. Brokers tour Monday (July 15) 10:00 - 1:00 Please use Shelly Parker at ORTC Solano Ave. Square footage and room count not guaranteed by seller or listing agent.

Property Features:

BATH-MASTER INCLUDES Shower Over Tub, Tile, Updated Baths	KITCHEN FEATURES Breakfast Bar, Breakfast Nook, Counter - Solid Surface, Dishwasher, Eat In Kitchen, Garbage Disposal, Gas Range/Cooktop, Microwave, Range/Oven Free Standing, Refrigerator, Updated Kitchen
BATH NON-MSTR INCLUDE Shower Over Tub, Tile, Updated Baths	LAUNDRY 220 Volt Outlet, Dryer, In Laundry Room, Washer, In Unit
COOLING None	LEVEL - STREET 2 Bedrooms, 1 Bath, Master Bedrm Suite - 1, No Steps to Entry, Main Entry
CONSTRUCTION STATUS Existing	LOT DESCRIPTION Premium Lot
DISABLED FEATURES Other	POOL None
DISCLOSURES Owner is Lic Real Est Agt, Other - Call/See Agent	POSSESSION COE
ENERGY SAVING FEATURE Energy Audit - Available, Energy Star Appliances, Energy Star HVAC, Energy Star Lighting, Energy Star Windows Doors, Smart Home System	ROOF Composition Shingles
EQUIPMENT ADDITIONAL Dryer, DSL/Modem Line, Washer, Water Heater Gas, Window Coverings, Tankless Water Heater	ROOM - ADDITIONAL Bonus/Plus Room, Dining Area, Kitchen/Family Combo, Office, Storage
EXTERIOR Stucco, Siding - Stucco, Wood Frame	SOLAR None
FIREPLACES Living Room, Woodburning	STYLE Contemporary, Cottage
FLOORING Laminate, Tile, Engineered Wood	TERMS Cash, Conventional
FOUNDATION Crawl Space	UNIT FEATURE Conversion, Levels in Unit - 1, No Steps to Entry
GARAGE/PARKING Off Street Parking	VIEWS Other
HEATING Forced Air 1 Zone, Gas	WATER/SEWER Sewer System - Public, Water - Public
INSPECTIONS/REPORTS Other	

HOA Information

HOA?: Yes **HOA Name:** CALL LISTING AGENT **HOA Phone:** 510-774-5927 **Fee \$:** 0
Fee Freq: Annually **Litigation:** No **Transfer Fees:** No Transfer Fee
HOA Amenities: Other
HOA Documents: CC&R'S
HOA Fees Include: None

Buyer Agent: **Sale Price:** **Sale/Orig \$:** **Sale/Last \$:** **List \$/SqFt:** \$539 **Sale\$/SqFt:** **Sale Terms:**
Concessions: **Buyer Agent DRE#** **# of offers:**

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Provided By: CHRISTIAN THEDE **CalBRE** 01335015 **07/12/2019**



Northbrae

Properties

State-of-the-Art Urban Cottage

2836 Carmel Street



This state-of-the-art 2+ bedroom / 1 bathroom urban cottage combines understated elegance with recently upgraded modern finishes that optimize function. All nestled in the centralized yet quiet location of the highly desirable Lincoln Heights neighborhood. Masterfully renovated to accentuate the spacious, open-concept floor plan, and the abundance of natural light that spills in from every window. The form-follows-function layout optimizes the flow between well-proportioned bedrooms, designer bathroom, gourmet kitchen, living and dining areas that effortlessly transitions to the private yard and patio. As part of the extensive upgrades this cottage is equipped with all new, appliances, heater, on-demand hot-water heater, new electrical, Cat 6 wiring and high-end finishes throughout. A brand new driveway for off-street parking, a separate laundry room and ample storage allows for all of life's extras. Enjoy being just a few short blocks to Farmer Joes and other local favorites for shopping, dining and nightlife. This convenient location allows you to enjoy all that the greater Bay Area has to offer with easy freeway access, public transportation and casual carpool close by. Look no further, call Carmel home.



Property Features:

- 2+ Bedroom / 1 Bathroom ~ 1307 SQ FT
- Masterfully Renovated Inside & Out
- Custom & High End Finishes Throughout
- Optimized, Open-Concept Floor Plan
- New Electrical & Cat 6 Wiring Throughout
- New Systems
- Separate Laundry Room
- Large, Private Yard & Patio
- Off-Street Parking
- Convenient Location
- No HOA Fees

RECEIVED AND READ

DATE _____

DocuSigned by:

Kevin Tsai

60ABEF06D2B5427

DocuSigned by:

Julia X. Song

164AB7A2BC8040F...

www.CallCarmelHome.com

Offered at \$705,000

CHRISTIAN THEDE

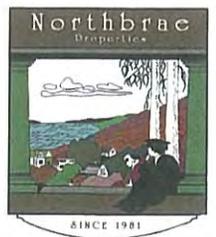
Northbrae Properties Inc
Broker / Owner

WWW.NORTHBRAE.COM

510.774.5927

chris@northbrae.com

BRE#01951376 / 01335015





CALIFORNIA ASSOCIATION OF REALTORS®

REAL ESTATE TRANSFER DISCLOSURE STATEMENT (CALIFORNIA CIVIL CODE §1102, ET SEQ.) (C.A.R. Form TDS, Revised 4/14)

THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF Oakland, COUNTY OF, STATE OF CALIFORNIA, DESCRIBED AS 2836 Carmel St, Oakland, CA 94602-3409

THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE WITH SECTION 1102 OF THE CIVIL CODE AS OF (date). IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.

I. COORDINATION WITH OTHER DISCLOSURE FORMS

This Real Estate Transfer Disclosure Statement is made pursuant to Section 1102 of the Civil Code. Other statutes require disclosures, depending upon the details of the particular real estate transaction (for example: special study zone and purchase-money liens on residential property).

Substituted Disclosures: The following disclosures and other disclosures required by law, including the Natural Hazard Disclosure Report/Statement that may include airport annoyances, earthquake, fire, flood, or special assessment information, have or will be made in connection with this real estate transfer, and are intended to satisfy the disclosure obligations on this form, where the subject matter is the same:

- Inspection reports completed pursuant to the contract of sale or receipt for deposit.
Additional inspection reports or disclosures:

II. SELLER'S INFORMATION

The Seller discloses the following information with the knowledge that even though this is not a warranty, prospective Buyers may rely on this information in deciding whether and on what terms to purchase the subject property. Seller hereby authorizes any agent(s) representing any principal(s) in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the property.

THE FOLLOWING ARE REPRESENTATIONS MADE BY THE SELLER(S) AND ARE NOT THE REPRESENTATIONS OF THE AGENT(S), IF ANY. THIS INFORMATION IS A DISCLOSURE AND IS NOT INTENDED TO BE PART OF ANY CONTRACT BETWEEN THE BUYER AND SELLER.

Seller is is not occupying the property.

A. The subject property has the items checked below: *

- Range, Oven, Microwave, Dishwasher, Trash Compactor, Garbage Disposal, Washer/Dryer Hookups, Rain Gutters, Burglar Alarms, Carbon Monoxide Device(s), Smoke Detector(s), Fire Alarm, TV Antenna, Satellite Dish, Intercom, Central Heating, Central Air Conditioning, Evaporator Cooler(s), Exhaust Fan(s) in bathroom, Gas Starter, Other:
Wall/Window Air Conditioning, Sprinklers, Public Sewer System, Septic Tank, Sump Pump, Water Softener, Patio/Decking, Built-in Barbecue, Gazebo, Security Gate(s), Garage: Attached Not Attached, Carport, Automatic Garage Door Opener(s), Number Remote Controls, Sauna, Hot Tub/Spa, Locking Safety Cover, Pool, Child Resistant Barrier, Pool/Spa Heater: Gas Solar Electric, Water Heater: Gas Solar Electric, Water Supply: City Well Private Utility or Other, Gas Supply: Utility Bottled (Tank), Window Screens, Window Security Bars, Quick Release Mechanism on Bedroom Windows, Water-Conserving Plumbing Fixtures, Fireplace(s) in Livingroom, Age: (approx.)

Are there, to the best of your (Seller's) knowledge, any of the above that are not in operating condition? Yes No. If yes, then describe. (Attach additional sheets if necessary):

(*see note on page 2)

Buyer's Initials

Seller's Initials

TDS REVISED 4/14 (PAGE 1 OF 3)



REAL ESTATE TRANSFER DISCLOSURE STATEMENT (TDS PAGE 1 OF 3)

Property Address: 2836 Carmel St, Oakland, CA 94602-3409

Date: _____

B. Are you (Seller) aware of any significant defects/malfunctions in any of the following? Yes No. If yes, check appropriate space(s) below.

- Interior Walls Ceilings Floors Exterior Walls Insulation Roof(s) Windows Doors Foundation Slab(s)
- Driveways Sidewalks Walls/Fences Electrical Systems Plumbing/Sewers/Septics Other Structural Components

(Describe: _____)

If any of the above is checked, explain. (Attach additional sheets if necessary.): _____

*Installation of a listed appliance, device, or amenity is not a precondition of sale or transfer of the dwelling. The carbon monoxide device, garage door opener, or child-resistant pool barrier may not be in compliance with the safety standards relating to, respectively, carbon monoxide device standards of Chapter 8 (commencing with Section 13260) of Part 2 of Division 12 of, automatic reversing device standards of Chapter 12.5 (commencing with Section 19890) of Part 3 of Division 13 of, or the pool safety standards of Article 2.5 (commencing with Section 115920) of Chapter 5 of Part 10 of Division 104 of, the Health and Safety Code. Window security bars may not have quick-release mechanisms in compliance with the 1995 edition of the California Building Standards Code. Section 1101.4 of the Civil Code requires all single-family residences built on or before January 1, 1994, to be equipped with water-conserving plumbing fixtures after January 1, 2017. Additionally, on and after January 1, 2014, a single-family residence built on or before January 1, 1994, that is altered or improved is required to be equipped with water-conserving plumbing fixtures as a condition of final approval. Fixtures in this dwelling may not comply with section 1101.4 of the Civil Code.

C. Are you (Seller) aware of any the following:

1. Substances, materials, or products which may be an environmental hazard such as, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, mold, fuel or chemical storage tanks, and contaminated soil or water on the subject property Yes No
2. Features of the property shared in common with adjoining landowners, such as walls, fences, and driveways, whose use or responsibility for maintenance may have an effect on the subject property Yes No
3. Any encroachments, easements or similar matters that may affect your interest in the subject property Yes No
4. Room additions, structural modifications, or other alterations or repairs made without necessary permits. Yes No
5. Room additions, structural modifications, or other alterations or repairs not in compliance with building codes ... Yes No
6. Fill (compacted or otherwise) on the property or any portion thereof Yes No
7. Any settling from any cause, or slippage, sliding, or other soil problems Yes No
8. Flooding, drainage or grading problems Yes No
9. Major damage to the property or any of the structures from fire, earthquake, floods, or landslides Yes No
10. Any zoning violations, nonconforming uses, violations of "setback" requirements Yes No
11. Neighborhood noise problems or other nuisances Yes No
12. CC&R's or other deed restrictions or obligations Yes No
13. Homeowners' Association which has any authority over the subject property Yes No
14. Any "common area" (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others) Yes No
15. Any notices of abatement or citations against the property Yes No
16. Any lawsuits by or against the Seller threatening to or affecting this real property, claims for damages by the Seller pursuant to Section 910 or 914 threatening to or affecting this real property, claims for breach of warranty pursuant to Section 900 threatening to or affecting this real property, or claims for breach of an enhanced protection agreement pursuant to Section 903 threatening to or affecting this real property, including any lawsuits or claims for damages pursuant to Section 910 or 914 alleging a defect or deficiency in this real property or "common areas" (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others) Yes No

If the answer to any of these is yes, explain. (Attach additional sheets if necessary.): 1) Property was built before 1978. 2) shared fences and this is a condo. 3) this is a condo. 12) see attached. 13) yes this is a condo 14) shared driveway.

D. 1. The Seller certifies that the property, as of the close of escrow, will be in compliance with Section 13113.8 of the Health and Safety Code by having operable smoke detector(s) which are approved, listed, and installed in accordance with the State Fire Marshal's regulations and applicable local standards.
2. The Seller certifies that the property, as of the close of escrow, will be in compliance with Section 19211 of the Health and Safety Code by having the water heater tank(s) braced, anchored, or strapped in place in accordance with applicable law.

Buyer's Initials () ()

Seller's Initials (FT) (HS)

TDS REVISED 4/14 (PAGE 2 OF 3)

REAL ESTATE TRANSFER DISCLOSURE STATEMENT (TDS PAGE 2 OF 3)



Property Address: 2836 Carmel St, Oakland, CA 94602-3409 Date: _____

Seller certifies that the information herein is true and correct to the best of the Seller's knowledge as of the date signed by the Seller.

Seller [Signature] Date 7/13/19

Seller Kevin Tsai
Julia Song Date 7/13/2019

III. AGENT'S INSPECTION DISCLOSURE

(To be completed only if the Seller is represented by an agent in this transaction.)

THE UNDERSIGNED, BASED ON THE ABOVE INQUIRY OF THE SELLER(S) AS TO THE CONDITION OF THE PROPERTY AND BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY IN CONJUNCTION WITH THAT INQUIRY, STATES THE FOLLOWING:

- See attached Agent Visual Inspection Disclosure (AVID Form)
- Agent notes no items for disclosure.
- Agent notes the following items: _____

Agent (Broker Representing Seller) Northbrae Properties Inc By Christian Thede Date 7/16/2019
(Please Print) (Associate Licensee or Broker Signature)
DocuSigned By: Christian Thede

IV. AGENT'S INSPECTION DISCLOSURE

(To be completed only if the agent who has obtained the offer is other than the agent above.)

THE UNDERSIGNED, BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY, STATES THE FOLLOWING:

- See attached Agent Visual Inspection Disclosure (AVID Form)
- Agent notes no items for disclosure.
- Agent notes the following items: _____

Agent (Broker Obtaining the Offer) _____ By _____ Date _____
(Please Print) (Associate Licensee or Broker Signature)

V. BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND/OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN BUYER AND SELLER(S) WITH RESPECT TO ANY ADVICE/INSPECTIONS/DEFECTS.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT.

Seller [Signature] Date 07/13/19 Buyer _____ Date _____
Seller Kevin Tsai Date 7/13/19 Buyer _____ Date _____
Seller Julia Song

Agent (Broker Representing Seller) Northbrae Properties Inc By Christian Thede Date 7/16/2019
(Please Print) (Associate Licensee or Broker Signature)
DocuSigned By: Christian Thede

Agent (Broker Obtaining the Offer) _____ By _____ Date _____
(Please Print) (Associate Licensee or Broker Signature)

SECTION 1102.3 OF THE CIVIL CODE PROVIDES A BUYER WITH THE RIGHT TO RESCIND A PURCHASE CONTRACT FOR AT LEAST THREE DAYS AFTER THE DELIVERY OF THIS DISCLOSURE IF DELIVERY OCCURS AFTER THE SIGNING OF AN OFFER TO PURCHASE. IF YOU WISH TO RESCIND THE CONTRACT, YOU MUST ACT WITHIN THE PRESCRIBED PERIOD.

A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

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525 South Virgil Avenue, Los Angeles, California 90020





AGENT VISUAL INSPECTION DISCLOSURE
(CALIFORNIA CIVIL CODE § 2079 ET SEQ.)
For use by an agent when a transfer disclosure statement is
required or when a seller is exempt from completing a TDS
(C.A.R. Form AVID, Revised 6/19)

This inspection disclosure concerns the residential property situated in the City of Oakland, County of Alameda, State of California, described as 2836 Carmel St ("Property").

This Property is a duplex, triplex, or fourplex. This AVID form is for unit # . Additional AVID forms required for other units.

Inspection Performed By (Real Estate Broker Firm Name) Northbrae Properties Inc

California law requires, with limited exceptions, that a real estate broker or salesperson (collectively, "Agent") conduct a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of certain properties offered for sale and then disclose to the prospective purchaser material facts affecting the value or desirability of that property that the inspection reveals.

California law does not require the Agent to inspect the following:

- Areas that are not reasonably and normally accessible
• Areas off site of the property
• Public records or permits
• Common areas of planned developments, condominiums, stock cooperatives and the like.

Agent Inspection Limitations: Because the Agent's duty is limited to conducting a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of only the Property being offered for sale, there are several things that the Agent will not do.

- Roof and Attic: Agent will not climb onto a roof or into an attic.
Interior: Agent will not move or look under or behind furniture, pictures, wall hangings or floor coverings.
Exterior: Agent will not inspect beneath a house or other structure on the Property, climb up or down a hillside, move or look behind plants, bushes, shrubbery and other vegetation or fences, walls or other barriers.
Appliances and Systems: Agent will not operate appliances or systems (such as, but not limited to, electrical, plumbing, pool or spa, heating, cooling, septic, sprinkler, communication, entertainment, well or water) to determine their functionality.
Size of Property or Improvements: Agent will not measure square footage of lot or improvements, or identify or locate boundary lines, easements or encroachments.
Environmental Hazards: Agent will not determine if the Property has mold, asbestos, lead or lead-based paint, radon, formaldehyde or any other hazardous substance or analyze soil or geologic condition.
Off-Property Conditions: By statute, Agent is not obligated to pull permits or inspect public records.
Analysis of Agent Disclosures: For any items disclosed as a result of Agent's visual inspection, or by others, Agent will not provide an analysis of or determine the cause or source of the disclosed matter, nor determine the cost of any possible repair.

What this means to you: An Agent's inspection is not intended to take the place of any other type of inspection, nor is it a substitute for a full and complete disclosure by a seller. Regardless of what the Agent's inspection reveals, or what disclosures are made by sellers, California Law specifies that a buyer has a duty to exercise reasonable care to protect himself or herself. This duty encompasses facts which are known to or within the diligent attention and observation of the buyer. Therefore, in order to determine for themselves whether or not the Property meets their needs and intended uses, as well as the cost to remedy any disclosed or discovered defect, BUYER SHOULD: (1) REVIEW ANY DISCLOSURES OBTAINED FROM SELLER; (2) OBTAIN ADVICE ABOUT, AND INSPECTIONS OF, THE PROPERTY FROM OTHER APPROPRIATE PROFESSIONALS; AND (3) REVIEW ANY FINDINGS OF THOSE PROFESSIONALS WITH THE PERSONS WHO PREPARED THEM. IF BUYER FAILS TO DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKER.

Buyer's Initials () ()

Seller's Initials (JXS) (KT)



If this Property is a duplex, triplex, or fourplex, this AVID is for unit # _____.

Inspection Performed By (Real Estate Broker Firm Name) Northbrae Properties Inc

Inspection Date/Time: 07/14/2019 1:30 Weather conditions: Sunny

Other persons present: Ali Thede

THE UNDERSIGNED, BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE REASONABLY AND NORMALLY ACCESSIBLE AREAS OF THE PROPERTY, STATES THE FOLLOWING:

Entry (excluding common areas): Chips in paint on front door.

Living Room: above fireplace behind Picture is a plug HDMI and cable plugs for flat screen T.v

Dining Room:

Kitchen: Small chip in granite near sink. Appliances are new

Other Room:

Hall/Stairs (excluding common areas): some scuff marks in attic access hatch. electrical Breaker box behind picture in hall.

Bedroom # _____:

Bedroom # _____:

Bedroom # _____:

Bath # 1 : Bathroom some scratch and pencil marks around or near light

Bath # _____:

Bath # _____:

Other Room: Plus Room - Small closet behind door. Media panel is in this closet.

Buyer's Initials () ()

Seller's Initials ^{DS} (JXS) ^{DS} (KT)



If this Property is a duplex, triplex, or fourplex, this AVID is for unit # _____.

Other Room: _____

Other: Laundry Room - Scuff marks on floor. Some over paint on sink. Old flue vent in ceiling for removed hot water heater

Other: This is a recent condominium conversion. Home extensively remodeled including Painting inside and out. majority of work finished 1 year ago.

Other: _____

See Addendum for additional rooms/structures: _____

Garage/Parking (excluding common areas): _____

Exterior Building and Yard - Front/Sides/Back: _____

Other Observed or Known Conditions Not Specified Above: _____

This disclosure is based on a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of the Property on the date specified above.
Real Estate Broker (Firm who performed the Inspection) Northbrae Properties Inc
By Christian Thede (Signature of Associate Licensee or Broker who performed the inspection) Date 7/16/2019
DocuSigned By: Christian Thede

Reminder: Not all defects are observable by a real estate licensee conducting an inspection. The inspection does not include testing of any system or component. Real Estate Licensees are not home inspectors or contractors. BUYER SHOULD OBTAIN ADVICE ABOUT AND INSPECTIONS OF THE PROPERTY FROM OTHER APPROPRIATE PROFESSIONALS. IF BUYER FAILS TO DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKER.

I/we acknowledge that I/we have read, understand and received a copy of this disclosure.

SELLER DocuSigned by: Kevin Tsai Kevin Tsai Date 7/16/2019
SELLER DocuSigned by: Julia X. Song Julia X. Song Date 7/16/2019
BUYER 164AB7A2BC8040F... Date _____
BUYER Date _____

Real Estate Broker (Firm Representing Seller) Northbrae Properties Inc
By Christian Thede (Associate Licensee or Broker Signature) Date 7/16/2019
DocuSigned By: Christian Thede

Real Estate Broker (Firm Representing Buyer) _____ Date _____
By _____ (Associate Licensee or Broker Signature)

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CALIFORNIA ASSOCIATION OF REALTORS®

SELLER PROPERTY QUESTIONNAIRE (C.A.R. Form SPQ, Revised 6/18)

This form is not a substitute for the Real Estate Transfer Disclosure Statement (TDS). It is used by the Seller to provide additional information when a TDS is completed. If Seller is exempt from completing a TDS, Seller should complete an Exempt Seller Disclosure (C.A.R. Form ESD) or may use this form instead.

I. Seller makes the following disclosures with regard to the real property or manufactured home described as 2836 Carmel St, Assessor's Parcel No. situated in Oakland, County of California ("Property").

II. The following are representations made by the Seller and are not the representations of the Agent(s), if any. This disclosure statement is not a warranty of any kind by the Seller or any agents(s) and is not a substitute for any inspections or warranties the principal(s) may wish to obtain. This disclosure is not intended to be part of the contract between Buyer and Seller. Unless otherwise specified in writing, Broker and any real estate licensee or other person working with or through Broker has not verified information provided by Seller. A real estate broker is qualified to advise on real estate transactions. If Seller or Buyer desires legal advice, they should consult an attorney.

III. Note to Seller: PURPOSE: To tell the Buyer about known material or significant items affecting the value or desirability of the Property and help to eliminate misunderstandings about the condition of the Property. Answer based on actual knowledge and recollection at this time. Something that you do not consider material or significant may be perceived differently by a Buyer. Think about what you would want to know if you were buying the Property today. Read the questions carefully and take your time. If you do not understand how to answer a question, or what to disclose or how to make a disclosure in response to a question, whether on this form or a TDS, you should consult a real estate attorney in California of your choosing. A broker cannot answer the questions for you or advise you on the legal sufficiency of any answers or disclosures you provide.

IV. Note to Buyer: PURPOSE: To give you more information about known material or significant items affecting the value or desirability of the Property and help to eliminate misunderstandings about the condition of the Property. Something that may be material or significant to you may not be perceived the same way by the Seller. If something is important to you, be sure to put your concerns and questions in writing (C.A.R. form BMI). Sellers can only disclose what they actually know. Seller may not know about all material or significant items. Seller's disclosures are not a substitute for your own investigations, personal judgments or common sense.

V. SELLER AWARENESS: For each statement below, answer the question "Are you (Seller) aware of..." by checking either "Yes" or "No." Explain any "Yes" answers in the space provided or attach additional comments and check section VI.

Table with 2 columns: A. STATUTORILY OR CONTRACTUALLY REQUIRED OR RELATED; ARE YOU (SELLER) AWARE OF... Rows 1-11 with checkboxes for Yes/No and handwritten '7) yes this is a code' for row 11.

Explanation, or (if checked) see attached; 7) yes this is a code

Buyer's Initials () ()

Seller's Initials (K) (BS)



Property Address: 2836 Carmel St, Oakland, CA 94602-3409

Date: _____

B. REPAIRS AND ALTERATIONS:

ARE YOU (SELLER) AWARE OF...

- 1. Any alterations, modifications, replacements, improvements, remodeling or material repairs on the Property (including those resulting from Home Warranty claims) Yes No
- 2. Any alterations, modifications, replacements, improvements, remodeling, or material repairs to the Property done for the purpose of energy or water efficiency improvement or renewable energy? Yes No
- 3. Ongoing or recurring maintenance on the Property (for example, drain or sewer clean-out, tree or pest control service) Yes No
- 4. Any part of the Property being painted within the past 12 months. Yes No
- 5. Whether the Property was built before 1978. Yes No
 - (a) If yes, were any renovations (i.e., sanding, cutting, demolition) of lead-based paint surfaces started or completed. Yes No
 - (b) If yes to (a), were such renovations done in compliance with the Environmental Protection Agency Lead-Based Paint Renovation Rule? Yes No

Explanation: see attached for owners list of improvements.

C. STRUCTURAL, SYSTEMS AND APPLIANCES:

ARE YOU (SELLER) AWARE OF...

- 1. Defects in any of the following, (including past defects that have been repaired): heating, air conditioning, electrical, plumbing (including the presence of polybutylene pipes), water, sewer, waste disposal or septic system, sump pumps, well, roof, gutters, chimney, fireplace, foundation, crawl space, attic, soil, grading, drainage, retaining walls, interior or exterior doors, windows, walls, ceilings, floors or appliances Yes No
- 2. The leasing of any of the following on or serving the Property: solar system, water softener system, water purifier system, alarm system, or propane tank (s) Yes No
- 3. An alternative septic system on or serving the Property Yes No

Explanation: see attached for owners list of improvements

D. DISASTER RELIEF, INSURANCE OR CIVIL SETTLEMENT:

ARE YOU (SELLER) AWARE OF...

- 1. Financial relief or assistance, insurance or settlement, sought or received, from any federal, state, local or private agency, insurer or private party, by past or present owners of the Property, due to any actual or alleged damage to the Property arising from a flood, earthquake, fire, other disaster, or occurrence or defect, whether or not any money received was actually used to make repairs Yes No

Explanation: _____

E. WATER-RELATED AND MOLD ISSUES:

ARE YOU (SELLER) AWARE OF...

- 1. Water intrusion into any part of any physical structure on the Property; leaks from or in any appliance, pipe, slab or roof; standing water, drainage, flooding, underground water, moisture, water-related soil settling or slippage, on or affecting the Property Yes No
- 2. Any problem with or infestation of mold, mildew, fungus or spores, past or present, on or affecting the Property Yes No
- 3. Rivers, streams, flood channels, underground springs, high water table, floods, or tides, on or affecting the Property or neighborhood Yes No

Explanation: _____

F. PETS, ANIMALS AND PESTS:

ARE YOU (SELLER) AWARE OF...

- 1. Pets on or in the Property Yes No
- 2. Problems with livestock, wildlife, insects or pests on or in the Property Yes No
- 3. Past or present odors, urine, feces, discoloration, stains, spots or damage in the Property, due to any of the above Yes No
- 4. Past or present treatment or eradication of pests or odors, or repair of damage due to any of the above. Yes No

Explanation: _____

Buyer's Initials () ()
SPQ REVISED 6/18 (PAGE 2 OF 4)

Seller's Initials (KT) (JAS)

SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 2 OF 4)



Property Address: 2836 Carmel St, Oakland, CA 94602-3409

Date: _____

G. BOUNDARIES, ACCESS AND PROPERTY USE BY OTHERS:

ARE YOU (SELLER) AWARE OF...

- 1. Surveys, easements, encroachments or boundary disputes Yes No
- 2. Use or access to the Property, or any part of it, by anyone other than you, with or without permission, for any purpose, including but not limited to, using or maintaining roads, driveways or other forms of ingress or egress or other travel or drainage Yes No
- 3. Use of any neighboring property by you Yes No

Explanation: 1) Survey done for condo conversion

H. LANDSCAPING, POOL AND SPA:

ARE YOU (SELLER) AWARE OF...

- 1. Diseases or infestations affecting trees, plants or vegetation on or near the Property Yes No
- 2. Operational sprinklers on the Property Yes No
 - (a) If yes, are they automatic or manually operated.
 - (b) If yes, are there any areas with trees, plants or vegetation not covered by the sprinkler system ... Yes No
- 3. A pool heater on the Property Yes No
 - If yes, is it operational? Yes No
- 4. A spa heater on the Property Yes No
 - If yes, is it operational? Yes No
- 5. Past or present defects, leaks, cracks, repairs or other problems with the sprinklers, pool, spa, waterfall, pond, stream, drainage or other water-related decor including any ancillary equipment, including pumps, filters, heaters and cleaning systems, even if repaired Yes No

Explanation: 2) for backyard lawn.

I. CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS AND OTHER SUBDIVISIONS: (IF APPLICABLE)

ARE YOU (SELLER) AWARE OF...

- 1. Any pending or proposed dues increases, special assessments, rules changes, insurance availability issues, or litigation by or against or fines or violations issued by a Homeowner Association or Architectural Committee affecting the Property. Yes No
- 2. Any declaration of restrictions or Architectural Committee that has authority over improvements made on or to the Property Yes No
- 3. Any improvements made on or to the Property without the required approval of an Architectural Committee or inconsistent with any declaration of restrictions or Architectural Committee requirement. Yes No

Explanation: _____

J. TITLE, OWNERSHIP LIENS, AND LEGAL CLAIMS:

ARE YOU (SELLER) AWARE OF...

- 1. Any other person or entity on title other than Seller(s) signing this form Yes No
- 2. Leases, options or claims affecting or relating to title or use of the Property Yes No
- 3. Past, present, pending or threatened lawsuits, settlements, mediations, arbitrations, tax liens, mechanics' liens, notice of default, bankruptcy or other court filings, or government hearings affecting or relating to the Property, Homeowner Association or neighborhood Yes No
- 4. Any private transfer fees, triggered by a sale of the Property, in favor of private parties, charitable organizations, interest based groups or any other person or entity Yes No
- 5. Any PACE lien (such as HERO or SCEIP) or other lien on your Property securing a loan to pay for an alteration, modification, replacement, improvement, remodel or material repair of the Property? Yes No
- 6. The cost of any alteration, modification, replacement, improvement, remodel or material repair of the Property being paid by an assessment on the Property tax bill? Yes No

Explanation: _____

K. NEIGHBORHOOD:

ARE YOU (SELLER) AWARE OF...

- 1. Neighborhood noise, nuisance or other problems from sources such as, but not limited to, the following: neighbors, traffic, parking congestion, airplanes, trains, light rail, subway, trucks,

Buyer's Initials () ()

Seller's Initials (KT) (HS)

SPQ REVISED 6/18 (PAGE 3 OF 4)

SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 3 OF 4)



Property Address: 2836 Carmel St, Oakland, CA 94602-3409 Date: _____

freeways, buses, schools, parks, refuse storage or landfill processing, agricultural operations, business, odor, recreational facilities, restaurants, entertainment complexes or facilities, parades, sporting events, fairs, neighborhood parties, litter, construction, air conditioning equipment, air compressors, generators, pool equipment or appliances, underground gas pipelines, cell phone towers, high voltage transmission lines, or wildlife Yes No

Explanation: _____

L. GOVERNMENTAL: ARE YOU (SELLER) AWARE OF...

- 1. Ongoing or contemplated eminent domain, condemnation, annexation or change in zoning or general plan that applies to or could affect the Property Yes No
- 2. Existence or pendency of any rent control, occupancy restrictions, improvement restrictions or retrofit requirements that apply to or could affect the Property. Yes No
- 3. Existing or contemplated building or use moratoria that apply to or could affect the Property Yes No
- 4. Current or proposed bonds, assessments, or fees that do not appear on the Property tax bill that apply to or could affect the Property Yes No
- 5. Proposed construction, reconfiguration, or closure of nearby Government facilities or amenities such as schools, parks, roadways and traffic signals Yes No
- 6. Existing or proposed Government requirements affecting the Property (i) that tall grass, brush or other vegetation be cleared; (ii) that restrict tree (or other landscaping) planting, removal or cutting or (iii) that flammable materials be removed Yes No
- 7. Any protected habitat for plants, trees, animals or insects that apply to or could affect the Property Yes No
- 8. Whether the Property is historically designated or falls within an existing or proposed Historic District Yes No
- 9. Any water surcharges or penalties being imposed by a public or private water supplier, agency or utility; or restrictions or prohibitions on wells or other ground water supplies Yes No

Explanation: 2) Oakland Rent Control

M. OTHER: ARE YOU (SELLER) AWARE OF...

- 1. Reports, inspections, disclosures, warranties, maintenance recommendations, estimates, studies, surveys or other documents, pertaining to (i) the condition or repair of the Property or any improvement on this Property in the past, now or proposed; or (ii) easements, encroachments or boundary disputes affecting the Property whether oral or in writing and whether or not provided to the Seller. Yes No
(If yes, provide any such documents in your possession to Buyer.)
- 2. Any occupant of the Property smoking on or in the Property. Yes No
- 3. Any past or present known material facts or other significant items affecting the value or desirability of the Property not otherwise disclosed to Buyer Yes No

Explanation: 1) See attached

VI. (IF CHECKED) ADDITIONAL COMMENTS: The attached addendum contains an explanation or additional comments in response to specific questions answered "yes" above. Refer to line and question number in explanation.

Seller represents that Seller has provided the answers and, if any, explanations and comments on this form and any attached addenda and that such information is true and correct to the best of Seller's knowledge as of the date signed by Seller. Seller acknowledges (i) Seller's obligation to disclose information requested by this form is independent from any duty of disclosure that a real estate licensee may have in this transaction; and (ii) nothing that any such real estate licensee does or says to Seller relieves Seller from his/her own duty of disclosure.

Seller [Signature] **Kevin Tsai** Date 07/13/19
Seller [Signature] **Julia Song** Date 7/13/19

By signing below, Buyer acknowledges that Buyer has read, understands and has received a copy of this Seller Property Questionnaire form.

Buyer _____ Date _____
Buyer _____ Date _____

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WATER HEATER AND SMOKE DETECTOR STATEMENT OF COMPLIANCE (C.A.R. Form WHSD, Revised 11/10)

Property Address: 2836 Carmel St, Oakland, CA 94602-3409

NOTE: A seller who is not required to provide one of the following statements of compliance is not necessarily exempt from the obligation to provide the other statement of compliance.

WATER HEATER STATEMENT OF COMPLIANCE

- 1. STATE LAW: California Law requires that all new and replacement water heaters and existing residential water heaters be braced, anchored or strapped to resist falling or horizontal displacement due to earthquake motion.
2. LOCAL REQUIREMENTS: Some local ordinances impose more stringent water heater bracing, anchoring or strapping requirements than does California Law.
3. TRANSFEROR'S WRITTEN STATEMENT: California Health and Safety Code §19211 requires the seller of any real property containing a water heater to certify, in writing, that the seller is in compliance with California State Law.
4. CERTIFICATION: Seller represents that the Property, as of the Close Of Escrow, will be in compliance with Health and Safety Code §19211 by having the water heater braced, anchored or strapped in place.

Seller Kevin Tsai (Signature/Print Name) Date 7/16/2019
Seller Julia Song (Signature/Print Name) Date 7/16/2019

The undersigned hereby acknowledge(s) receipt of a copy of this document.

Buyer (Signature/Print Name) Date
Buyer (Signature/Print Name) Date

SMOKE DETECTOR STATEMENT OF COMPLIANCE

- 1. STATE LAW: California Law requires that (i) every single-family dwelling and factory built housing unit sold on or after January 1, 1986, must have an operable smoke detector, approved and listed by the State Fire Marshal, installed in accordance with the State Fire Marshal's regulations.
2. LOCAL REQUIREMENTS: Some local ordinances impose more stringent smoke detector requirements than does California Law.
3. TRANSFEROR'S WRITTEN STATEMENT: California Health and Safety Code §13113.8(b) requires every transferor of any real property containing a single-family dwelling, whether the transfer is made by sale, exchange, or real property sales contract.
4. EXCEPTIONS: Generally, a written statement of smoke detector compliance is not required for transactions for which the Seller is exempt from providing a transfer disclosure statement.
5. CERTIFICATION: Seller represents that the Property, as of the Close Of Escrow, will be in compliance with the law by having operable smoke detector(s) approved and listed by the State Fire Marshal.

Seller Kevin Tsai (Signature/Print Name) Date 7/16/2019
Seller Julia Song (Signature/Print Name) Date 7/16/2019

The undersigned hereby acknowledge(s) receipt of a copy of this Water Heater and Smoke Detector Statement of Compliance.

Buyer (Signature/Print Name) Date
Buyer (Signature/Print Name) Date

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WHSD REVISED 11/10 (PAGE 1 OF 1)

WATER HEATER AND SMOKE DETECTOR STATEMENT OF COMPLIANCE (WHSD PAGE 1 OF 1)



WATER-CONSERVING PLUMBING FIXTURES AND CARBON MONOXIDE DETECTOR NOTICE

(C.A.R. Form WCMD, 12/16)

Property Address: **2836 Carmel St, Oakland, CA 94602-3409**

1. WATER-CONSERVING PLUMBING FIXTURES

A. INSTALLATION:

(1) Requirements: (a) Single-Family Properties. California law (Civil Code §1101.4) requires all single-family residences built on or before January 1, 1994 to be equipped with water-conserving plumbing fixtures after January 1, 2017. (b) Multifamily and Commercial Properties. Civil Code §1101.5 requires all multifamily residential and commercial properties built on or before January 1, 1994 to be equipped with water-conserving plumbing fixtures after January 1, 2019. Additionally, on and after January 1, 2014, a multifamily residential and commercial property built on or before January 1, 1994 that is altered or improved is required to be equipped with water-conserving plumbing fixtures as a condition of final approval if the alteration or improvement increases floor area space by more than 10 percent, or has a cost greater than \$150,000, or for any room in a building which requires a building permit.

(2) Exceptions: These requirements do not apply to (i) registered historical sites, (ii) real property for which a licensed plumber certified that, due to the age or configuration of the property or its plumbing, installation of water-conserving plumbing fixtures is not technically feasible, or (iii) a building for which water service is permanently disconnected. Additionally, there is a one-year exemption for any building slated for demolition, and any city or county that has adopted a retrofit requirement prior to 2009 is itself exempt. (Civil Code §§1101.6, 1101.7, and 1101.9.)

B. Disclosure of Water-Conserving Plumbing Fixtures: Although the installation of water-conserving plumbing fixtures is not a point of sale requirement, California Civil Code §§1101.4 (single family properties beginning 2017) and 1101.5 (multifamily and commercial properties beginning 2019) require the seller to disclose to the buyer the requirements concerning water-conserving plumbing fixtures and whether the property contains any noncompliant water fixtures.

C. Noncompliant Water Fixtures: Noncompliant water fixtures are any of the following: (i) any toilet manufactured to use more than 1.6 gallons of water per flush, (ii) any urinal manufactured to use more than one gallon of water per flush, (iii) any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute, (iv) any interior faucet that emits more than 2.2 gallons of water per minute. (Civil Code §1101.3.) Buyer and Seller are each advised to consult with their own home inspector or contractor to determine if any water fixture is noncompliant.

2. CARBON MONOXIDE DETECTORS:

A. INSTALLATION:

(1). Requirements: California law (Health and Safety Code §§13260 to 13263 and 17296 to 17296.2) requires that as of July 1, 2011, all existing single-family dwellings have carbon monoxide detectors installed and that all other types of dwelling units intended for human occupancy have carbon monoxide detectors installed on or before January 1, 2013. The January 1, 2013 requirement applies to a duplex, lodging house, dormitory, hotel, condominium, time-share and apartment, among others.

(2). Exceptions: The law does not apply to a dwelling unit which does not have any of the following: a fossil fuel burning heater or appliance, a fireplace, or an attached garage. The law does not apply to dwelling units owned or leased by the State of California, the Regents of the University of California or local government agencies. Aside from these three owner types, there are **no other owner exemptions** from the installation requirement; it applies to all owners of dwellings, be they individual banks, corporations, or other entities. There is no exemption for REO properties.

B. DISCLOSURE OF CARBON MONOXIDE DETECTORS: The Health and Safety Code does not require a disclosure regarding the existence of carbon monoxide detectors in a dwelling. However, a seller of residential 1-4 property who is required to complete a Real Estate Transfer Disclosure Statement, (C.A.R. Form TDS) or a Manufactured Home and Mobile home Transfer Disclosure Statement (C.A.R. Form MHTDS) must use section II A of that form to disclose whether or not the dwelling unit has a carbon monoxide detector.

Buyer/Tenant Initials () ()

Seller/Landlord Initials (JXS) (KT)

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WCMD 12/16 (PAGE 1 OF 2)

WATER-CONSERVING PLUMBING FIXTURES AND CARBON MONOXIDE DETECTOR NOTICE (WCMD PAGE 1 OF 2)

Property Address: **2836 Carmel St, Oakland, CA 94602-3409**

C. COMPLIANCE WITH INSTALLATION REQUIREMENT: State building code requires at a minimum, placement of carbon monoxide detectors in applicable properties outside of each sleeping area, and on each floor in a multi-level dwelling but additional or different requirements may apply depending on local building standards and manufacturer instructions. An owner who fails to install a carbon monoxide detector when required by law and continues to fail to install the detector after being given notice by a governmental agency could be liable for a fine of up to \$200 for each violation. A transfer of a property where a seller, as an owner, has not installed carbon monoxide detectors, when required to do so by law, will not be invalidated, but the seller/owner could be subject to damages of up to \$100, plus court costs and attorney fees. Buyer and Seller are each advised to consult with their own home inspector, contractor or building department to determine the exact location for installation of carbon monoxide detectors. Buyer is advised to consult with a professional of Buyer's choosing to determine whether the property has carbon monoxide detector(s) installed as required by law, and if not to discuss with their counsel the potential consequences.

3. LOCAL REQUIREMENTS: Some localities maintain their own retrofit or point of sale requirements which may include the requirement that water-conserving plumbing fixtures and/or a carbon monoxide detector be installed prior to a transfer of property. Therefore, it is important to check the local city or county building and safety departments regarding point of sale or retrofit requirements when transferring property.

The undersigned hereby acknowledge(s) receipt of a copy of this Water-Conserving Plumbing Fixtures and Carbon Monoxide Detector Notice.

Seller/Landlord DocuSigned by:
Kevin Tsai 60A8E906D2B5427... **Kevin Tsai** **Date** 7/16/2019
(Signature) (Print Name)

Seller/Landlord DocuSigned by:
Julia X. Song 1614B792BC8040F... **Julia Song** **Date** 7/16/2019
(Signature) (Print Name)

Buyer/Tenant _____ **Date** _____
(Signature) (Print Name)

Buyer/Tenant _____ **Date** _____
(Signature) (Print Name)

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CALIFORNIA ASSOCIATION OF REALTORS®

LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS DISCLOSURE, ACKNOWLEDGMENT AND ADDENDUM For Pre-1978 Housing Sales, Leases, or Rentals (C.A.R. Form FLD, Revised 11/10)

The following terms and conditions are hereby incorporated in and made a part of the: [] California Residential Purchase Agreement, [] Residential Lease or Month-to-Month Rental Agreement, or [] Other:

dated 7/16/2019, on property known as: 2836 Carmel St, Oakland, CA 94602-3409 ("Property") in which Kevin Tsai, Julia Song is referred to as Buyer or Tenant and Kevin Tsai, Julia Song is referred to as Seller or Landlord.

LEAD WARNING STATEMENT (SALE OR PURCHASE) Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning.

LEAD WARNING STATEMENT (LEASE OR RENTAL) Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips and dust can pose health hazards if not managed properly.

EPA'S LEAD-BASED PAINT RENOVATION, REPAIR AND PAINTING RULE: The new rule requires that contractors and maintenance professionals working in pre-1978 housing, child care facilities, and schools with lead-based paint be certified; that their employees be trained; and that they follow protective work practice standards.

1. SELLER'S OR LANDLORD'S DISCLOSURE

I (we) have no knowledge of lead-based paint and/or lead-based paint hazards in the housing other than the following:

I (we) have no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing other than the following, which, previously or as an attachment to this addendum, have been provided to Buyer or Tenant:

I (we), previously or as an attachment to this addendum, have provided Buyer or Tenant with the pamphlet "Protect Your Family From Lead In Your Home" or an equivalent pamphlet approved for use in the State such as "The Homeowner's Guide to Environmental Hazards and Earthquake Safety."

For Sales Transactions Only: Buyer has 10 days, unless otherwise agreed in the real estate purchase contract, to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

I (we) have reviewed the information above and certify, to the best of my (our) knowledge, that the information provided is true and correct.

DocuSigned by: Kevin Tsai Date: 7/16/2019 Seller or Landlord: Kevin Tsai Date: 7/16/2019 DocuSigned by: Julia X. Song Date: 7/16/2019 Seller or Landlord: Julia Song Date: 7/16/2019

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Buyer's Initials () ()



FLD REVISED 11/10 (PAGE 1 OF 2)

LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS DISCLOSURE (FLD PAGE 1 OF 2)

Property Address: 2836 Carmel St, Oakland, CA 94602-3409

Date _____

2. LISTING AGENT'S ACKNOWLEDGMENT

Agent has informed Seller or Landlord of Seller's or Landlord's obligations under §42 U.S.C. 4852d and is aware of Agent's responsibility to ensure compliance.

I have reviewed the information above and certify, to the best of my knowledge, that the information provided is true and correct.

Northbrae Properties Inc

(Please Print) Agent (Broker representing Seller or Landlord)

By

59ADC757BCA54EF...
Christian Thede
Associate-Licensee or Broker Signature
Christian Thede

7/16/2019

Date

3. BUYER'S OR TENANT'S ACKNOWLEDGMENT

I (we) have received copies of all information listed, if any, in 1 above and the pamphlet "Protect Your Family From Lead In Your Home" or an equivalent pamphlet approved for use in the State such as "The Homeowner's Guide to Environmental Hazards and Earthquake Safety." **If delivery of any of the disclosures or pamphlet referenced in paragraph 1 above occurs after Acceptance of an offer to purchase, Buyer has a right to cancel pursuant to the purchase contract. If you wish to cancel, you must act within the prescribed period.**

For Sales Transactions Only: Buyer acknowledges the right for 10 days, unless otherwise agreed in the real estate purchase contract, to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; OR, (if checked) Buyer waives the right to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

I (we) have reviewed the information above and certify, to the best of my (our) knowledge, that the information provided is true and correct.

Buyer or Tenant

Date

Buyer or Tenant

Date

4. COOPERATING AGENT'S ACKNOWLEDGMENT

Agent has informed Seller or Landlord, through the Listing Agent if the property is listed, of Seller's or Landlord's obligations under §42 U.S.C. 4852d and is aware of Agent's responsibility to ensure compliance.

I have reviewed the information above and certify, to the best of my knowledge, that the information provided is true and correct.

Agent (Broker obtaining the Offer)

By

Associate-Licensee or Broker Signature

Date

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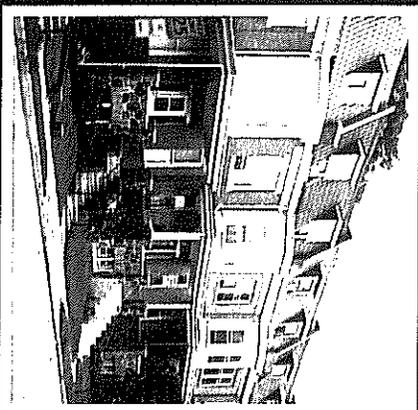
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525 South Virgil Avenue, Los Angeles, California 90020



IMPORTANT!

Lead From Paint, Dust, and Soil in and Around Your Home Can Be Dangerous if Not Managed Properly

- Children under 6 years old are most at risk for lead poisoning in your home.
- Lead exposure can harm young children and babies even before they are born.
- Homes, schools, and child care facilities built before 1978 are likely to contain lead-based paint.
- Even children who seem healthy may have dangerous levels of lead in their bodies.
- Disturbing surfaces with lead-based paint or removing lead-based paint improperly can increase the danger to your family.
- People can get lead into their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- People have many options for reducing lead hazards. Generally, lead-based paint that is in good condition is not a hazard (see page 10).



**Protect
Your
Family
From
Lead in
Your
Home**



Are You Planning to Buy or Rent a Home Built Before 1978?

Did you know that many homes built before 1978 have **lead-based paint**? Lead from paint, chips, and dust can pose serious health hazards.

Read this entire brochure to learn:

- How lead gets into the body
- About health effects of lead
- What you can do to protect your family
- Where to go for more information

Before renting or buying a pre-1978 home or apartment, federal law requires:

- Sellers must disclose known information on lead-based paint or lead-based paint hazards before selling a house.
- Real estate sales contracts must include a specific warning statement about lead-based paint. Buyers have up to 10 days to check for lead.
- Landlords must disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a specific warning statement about lead-based paint.

If undertaking renovations, repairs, or painting (RRP) projects in your pre-1978 home or apartment:

- Read EPA's pamphlet, *The Lead-Safe Certified Guide to Renovate Right*, to learn about the lead-safe work practices that contractors are required to follow when working in your home (see page 12).



RECEIVED AND READ
DATE _____

DocuSigned by:
Kevin Tsai
60ABEF06D2B5427...

DocuSigned by:
Julia X Song
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Consumer Product Safety Commission (CPSC)

The CPSC protects the public against unreasonable risk of injury from consumer products through education, safety standards activities, and enforcement. Contact CPSC for further information regarding consumer product safety and regulations.

CPSC

4330 East West Highway
Bethesda, MD 20814-4421
1-800-638-2772
cpsc.gov or saferproducts.gov

U. S. Department of Housing and Urban Development (HUD)

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. Contact HUD's Office of Healthy Homes and Lead Hazard Control for further information regarding the Lead Safe Housing Rule, which protects families in pre-1978 assisted housing, and for the lead hazard control and research grant programs.

HUD

451 Seventh Street, SW, Room 8236
Washington, DC 20410-3000
(202) 402-7698
hud.gov/offices/lead/

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U. S. EPA Washington DC 20460
U. S. CPSC Bethesda MD 20814
U. S. HUD Washington DC 20410

EPA-747-K-12-001
September 2013

Simple Steps to Protect Your Family from Lead Hazards

If you think your home has lead-based paint:

- Don't try to remove lead-based paint yourself.
- Always keep painted surfaces in good condition to minimize deterioration.
- Get your home checked for lead hazards. Find a certified inspector or risk assessor at epa.gov/lead.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Regularly clean floors, window sills, and other surfaces.
- Take precautions to avoid exposure to lead dust when remodeling.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe certified renovation firms.
- Before buying, renting, or renovating your home, have it checked for lead-based paint.
- Consult your health care provider about testing your children for lead. Your pediatrician can check for lead with a simple blood test.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children avoid fatty (or high fat) foods and eat nutritious meals high in iron and calcium.
- Remove shoes or wipe soil off shoes before entering your house.

Lead Gets into the Body in Many Ways

Adults and children can get lead into their bodies if they:

- Breathe in lead dust (especially during activities such as renovations, repairs, or painting that disturb painted surfaces).
- Swallow lead dust that has settled on food, food preparation surfaces, and other places.
- Eat paint chips or soil that contains lead.

Lead is especially dangerous to children under the age of 6.

- At this age, children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



Women of childbearing age should know that lead is dangerous to a developing fetus.

- Women with a high lead level in their system before or during pregnancy risk exposing the fetus to lead through the placenta during fetal development.

U. S. Environmental Protection Agency (EPA) Regional Offices

The mission of EPA is to protect human health and the environment. Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)
 Regional Lead Contact
 U.S. EPA Region 1
 5 Post Office Square, Suite 100, OES 05-4
 Boston, MA 02109-3912
 (888) 372-7341

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas, and 66 Tribes)
 Regional Lead Contact
 U.S. EPA Region 6
 1445 Ross Avenue, 12th Floor
 Dallas, TX 75202-2733
 (214) 665-2704

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)
 Regional Lead Contact
 U.S. EPA Region 2
 2890 Woodbridge Avenue
 Building 205, Mail Stop 225
 Edison, NJ 08837-3679
 (732) 321-6671

Region 7 (Iowa, Kansas, Missouri, Nebraska)
 Regional Lead Contact
 U.S. EPA Region 7
 11201 Renner Blvd.
 WWP/D/TOPE
 Lenexa, KS 66219
 (800) 223-0425

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, DC, West Virginia)
 Regional Lead Contact
 U.S. EPA Region 3
 1650 Arch Street
 Philadelphia, PA 19103
 (215) 814-2088

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)
 Regional Lead Contact
 U.S. EPA Region 8
 1595 Wynkoop St.
 Denver, CO 80202
 (303) 312-6966

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)
 Regional Lead Contact
 U.S. EPA Region 4
 AFC Tower, 12th Floor, Air, Pesticides & Toxics
 61 Forsyth Street, SW
 Atlanta, GA 30303
 (404) 562-8998

Region 9 (Arizona, California, Hawaii, Nevada)
 Regional Lead Contact
 U.S. EPA Region 9 (CMD-4-2)
 75 Hawthorne Street
 San Francisco, CA 94105
 (415) 947-4280

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)
 Regional Lead Contact
 U.S. EPA Region 5 (DT-8J)
 77 West Jackson Boulevard
 Chicago, IL 60604-3666
 (312) 886-7836

Region 10 (Alaska, Idaho, Oregon, Washington)
 Regional Lead Contact
 U.S. EPA Region 10
 Solid Waste & Toxics Unit (WCM-128)
 1200 Sixth Avenue, Suite 900
 Seattle, WA 98101
 (206) 553-1200

For More Information

The National Lead Information Center

Learn how to protect children from lead poisoning and get other information about lead hazards on the Web at epa.gov/lead and hud.gov/lead, or call **1-800-424-LEAD (5323)**.

EPA's Safe Drinking Water Hotline

For information about lead in drinking water, call **1-800-426-4791**, or visit epa.gov/lead for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

For information on lead in toys and other consumer products, or to report an unsafe consumer product or a product-related injury, call **1-800-638-2772**, or visit CPSC's website at cpsc.gov or saferproducts.gov.

State and Local Health and Environmental Agencies

Some states, tribes, and cities have their own rules related to lead-based paint. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your state or local contacts on the Web at epa.gov/lead, or contact the National Lead Information Center at **1-800-424-LEAD**.

Hearing- or speech-challenged individuals may access any of the phone numbers in this brochure through TTY by calling the toll-free Federal Relay Service at **1-800-877-8339**.

Health Effects of Lead

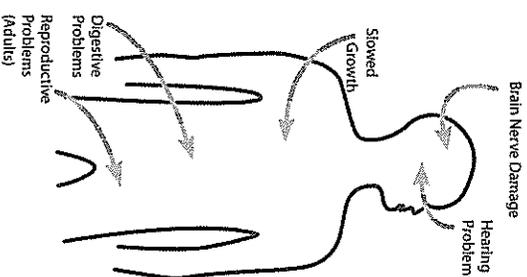
Lead affects the body in many ways. It is important to know that even exposure to low levels of lead can severely harm children.

In children, exposure to lead can cause:

- Nervous system and kidney damage
- Learning disabilities, attention deficit disorder, and decreased intelligence
- Speech, language, and behavior problems
- Poor muscle coordination

- Decreased muscle and bone growth
- Hearing damage

While low-lead exposure is most common, exposure to high amounts of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.



Although children are especially susceptible to lead exposure, lead can be dangerous for adults, too.

In adults, exposure to lead can cause:

- Harm to a developing fetus
- Increased chance of high blood pressure during pregnancy
- Fertility problems (in men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain

Check Your Family for Lead

Get your children and home tested if you think your home has lead.

Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect lead. Blood lead tests are usually recommended for:

- Children at ages 1 and 2
- Children or other family members who have been exposed to high levels of lead
- Children who should be tested under your state or local health screening plan

Your doctor can explain what the test results mean and if more testing will be needed.

Other Sources of Lead

While paint, dust, and soil are the most common sources of lead, other lead sources also exist:

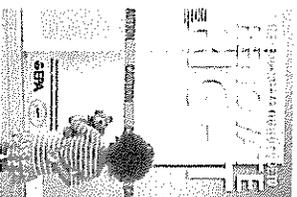
- **Drinking water.** Your home might have plumbing with lead or lead solder. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might contain lead:
 - Use only cold water for drinking and cooking.
 - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- Call your local health department or water supplier to find out about testing your water, or visit epa.gov/lead for EPA's lead in drinking water information.
- **Lead smelters** or other industries that release lead into the air.
- **Your job.** If you work with lead, you could bring it home on your body or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture. Call your local health department for information about hobbies that may use lead.
- Old **toys** and **furniture** may have been painted with lead-containing paint. Older toys and other children's products may have parts that contain lead.⁴
- Food and liquids cooked or stored in **lead crystal** or **lead-glazed pottery** or **porcelain** may contain lead.
- Folk remedies, such as "**greta**" and "**azarcon**," used to treat an upset stomach.

⁴ In 1978, the federal government banned toys, other children's products, and furniture with lead-containing paint (16 CFR 1.303). In 2008, the federal government banned lead in most children's products. The federal government currently bans lead in excess of 100 ppm by weight in most children's products (76 FR 44463).

Renovating, Remodeling, or Repairing (RRP) a Home with Lead-Based Paint

If you hire a contractor to conduct renovation, repair, or painting (RRP) projects in your pre-1978 home or childcare facility (such as pre-school and kindergarten), your contractor must:

- Be a Lead-Safe Certified firm approved by EPA or an EPA-authorized state program
- Use qualified trained individuals (Lead-Safe Certified renovators) who follow specific lead-safe work practices to prevent lead contamination
- Provide a copy of EPA's lead hazard information document, *The Lead-Safe Certified Guide to Renovate Right*



RRP contractors working in pre-1978 homes and childcare facilities must follow lead-safe work practices that:

- **Contain the work area.** The area must be contained so that dust and debris do not escape from the work area. Warning signs must be put up, and plastic or other impermeable material and tape must be used.
- **Avoid renovation methods that generate large amounts of lead-contaminated dust.** Some methods generate so much lead-contaminated dust that their use is prohibited. They are:
 - Open-flame burning or torching
 - Sanding, grinding, planing, needle gunning, or blasting with power tools and equipment not equipped with a shroud and HEPA vacuum attachment and
 - Using a heat gun at temperatures greater than 1100°F
- **Clean up thoroughly.** The work area should be cleaned up daily. When all the work is done, the area must be cleaned up using special cleaning methods.
- **Dispose of waste properly.** Collect and seal waste in a heavy duty bag or sheeting. When transported, ensure that waste is contained to prevent release of dust and debris.

To learn more about EPA's requirements for RRP projects visit epa.gov/getleadsafe, or read *The Lead-Safe Certified Guide to Renovate Right*.

Where Lead-Based Paint Is Found

In general, the older your home or childcare facility, the more likely it has lead-based paint.¹

Many homes, including private, federally-assisted, federally-owned housing, and childcare facilities built before 1978 have lead-based paint. In 1978, the federal government banned consumer uses of lead-containing paint.²

Learn how to determine if paint is lead-based paint on page 7.

Lead can be found:

- In homes and childcare facilities in the city, country, or suburbs,
- In private and public single-family homes and apartments,
- On surfaces inside and outside of the house, and
- In soil around a home. (Soil can pick up lead from exterior paint or other sources, such as past use of leaded gas in cars.)

Learn more about where lead is found at epa.gov/lead.

¹ "Lead-based paint" is currently defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter (mg/cm), or more than 0.5% by weight.

² "Lead-containing paint" is currently defined by the federal government as lead in new dried paint in excess of 90 parts per million (ppm) by weight.

Identifying Lead-Based Paint and Lead-Based Paint Hazards

Deteriorating lead-based paint (peeling, chipping, chalking, cracking, or damaged paint) is a hazard and needs immediate attention. **Lead-based paint** may also be a hazard when found on surfaces that children can chew or that get a lot of wear and tear, such as:

- On windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

Lead-based paint is usually not a hazard if it is in good condition and if it is not on an impact or friction surface like a window.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Lead dust also forms when painted surfaces containing lead bump or rub together. Lead paint chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when the home is vacuumed or swept, or when people walk through it. EPA currently defines the following levels of lead in dust as hazardous:

- 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) and higher for floors, including carpeted floors
- 250 $\mu\text{g}/\text{ft}^2$ and higher for interior window sills

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. EPA currently defines the following levels of lead in soil as hazardous:

- 400 parts per million (ppm) and higher in play areas of bare soil
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard

Remember, lead from paint chips—which you can see—and lead dust—which you may not be able to see—both can be hazards.

The only way to find out if paint, dust, or soil lead hazards exist is to test for them. The next page describes how to do this.

Reducing Lead Hazards, continued

If your home has had lead abatement work done or if the housing is receiving federal assistance, once the work is completed, dust cleanup activities must be conducted until clearance testing indicates that lead dust levels are below the following levels:

- 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) for floors, including carpeted floors
- 250 $\mu\text{g}/\text{ft}^2$ for interior windows sills
- 400 $\mu\text{g}/\text{ft}^2$ for window troughs

For help in locating certified lead abatement professionals in your area, call your state or local agency (see pages 14 and 15), or visit epa.gov/lead, or call 1-800-424-LEAD.

Checking Your Home for Lead, continued

In preparing for renovation, repair, or painting work in a pre-1978 home, Lead-Safe Certified renovators (see page 12) may:

- Take paint chip samples to determine if lead-based paint is present in the area planned for renovation and send them to an EPA-recognized lead lab for analysis. In housing receiving federal assistance, the person collecting these samples must be a certified lead-based paint inspector or risk assessor
- Use EPA-recognized tests kits to determine if lead-based paint is absent (but not in housing receiving federal assistance)
- Presume that lead-based paint is present and use lead-safe work practices

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency for more information, visit epa.gov/lead, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.³

What You Can Do Now to Protect Your Family

If you suspect that your house has lead-based paint hazards, you can take some immediate steps to reduce your family's risk:

- If you rent, notify your landlord of peeling or chipping paint.
- Keep painted surfaces clean and free of dust. Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner. (Remember: never mix ammonia and bleach products together because they can form a dangerous gas.)
- Carefully clean up paint chips immediately without creating dust.
- Thoroughly rinse sponges and mop heads often during cleaning of dirty or dusty areas, and again afterward.
- Wash your hands and your children's hands often, especially before they eat and before nap time and bed time.
- Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- Keep children from chewing window sills or other painted surfaces, or eating soil.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe Certified renovation firms (see page 12).
- Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- Make sure children avoid fatty (or high-fat) foods and eat nutritious meals high in iron and calcium. Children with good diets absorb less lead.

³ Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8399.

Reducing Lead Hazards

Disturbing lead-based paint or removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

- In addition to day-to-day cleaning and good nutrition, you can **temporarily** reduce lead-based paint hazards by taking actions, such as repairing damaged painted surfaces and planting grass to cover lead-contaminated soil. These actions are not permanent solutions and will need ongoing attention.



- You can minimize exposure to lead when renovating, repairing, or painting by hiring an EPA- or state-certified renovator who is trained in the use of lead-safe work practices. If you are a do-it-yourselfer, learn how to use lead-safe work practices in your home.

- To remove lead hazards permanently, you should hire a certified lead abatement contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent control.

Always use a certified contractor who is trained to address lead hazards safely.

- Hire a Lead-Safe Certified firm (see page 12) to perform renovation, repair, or painting (RRP) projects that disturb painted surfaces.
- To correct lead hazards permanently, hire a certified lead abatement professional. This will ensure your contractor knows how to work safely and has the proper equipment to clean up thoroughly.

Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Checking Your Home for Lead

You can get your home tested for lead in several different ways:

- A lead-based paint **inspection** tells you if your home has lead-based paint and where it is located. It won't tell you whether your home currently has lead hazards. A trained and certified testing professional, called a lead-based paint inspector, will conduct a paint inspection using methods, such as:

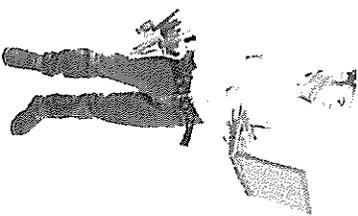
- Portable x-ray fluorescence (XRF) machine
- Lab tests of paint samples

- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards. A trained and certified testing professional, called a risk assessor, will:

- Sample paint that is deteriorated on doors, windows, floors, stairs, and walls
- Sample dust near painted surfaces and sample bare soil in the yard
- Get lab tests of paint, dust, and soil samples

- A combination inspection and risk assessment tells you if your home has any lead-based paint and if your home has any lead hazards, and where both are located.

Be sure to read the report provided to you after your inspection or risk assessment is completed, and ask questions about anything you do not understand.



Residential Earthquake Hazards Report (2005 Edition)

NAME Kevin Tsai, Julia Song	ASSESSOR'S PARCEL NO.
STREET ADDRESS 2836 Carmel St	YEAR BUILT
CITY AND COUNTY Oakland	ZIP CODE 94602-3409

Answer these questions to the best of your knowledge. If you do not have actual knowledge as to whether the weakness exists, answer "Don't Know." If your house does not have the feature, answer "Doesn't Apply." The page numbers in the right-hand column indicate where in this guide you can find information on each of these features.

	Yes	No	Doesn't Apply	Don't Know	Page
1. Is the water heater braced, strapped, or anchored to resist falling during an earthquake?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12
2. Is the house anchored or bolted to the foundation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	14
3. If the house has cripple walls:					
• Are the exterior cripple walls braced?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16
• If the exterior foundation consists of unconnected concrete piers and posts, have they been strengthened?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	18
4. If the exterior foundation, or part of it, is made of unreinforced masonry, has it been strengthened?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	20
5. If the house is built on a hillside:					
• Are the exterior tall foundation walls braced?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	22
• Were the tall posts or columns either built to resist earthquakes or have they been strengthened?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	22
6. If the exterior walls of the house, or part of them, are made of unreinforced masonry, have they been strengthened?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	24
7. If the house has a living area over the garage, was the wall around the garage door opening either built to resist earthquakes or has it been strengthened?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	26
8. Is the house outside an Alquist-Priolo Earthquake Fault Zone (zones immediately surrounding known earthquake faults)?					36
9. Is the house outside a Seismic Hazard Zone (zone identified as susceptible to liquefaction or landsliding)?					36

*To be reported on the
Natural Hazards Disclosure
Report*

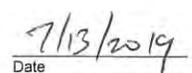
If any of the questions are answered "No," the house is likely to have an earthquake weakness. Questions answered "Don't Know" may indicate a need for further evaluation. If you corrected one or more of these weaknesses, describe the work on a separate page.

As seller of the property described herein, I have answered the questions above to the best of my knowledge in an effort to disclose fully any potential earthquake weaknesses it may have.

EXECUTED BY


 (Seller)
Kevin Tsai


 (Seller)
Julia Song


 Date

I acknowledge receipt of this form, completed and signed by the seller. I understand that if the seller has answered "No" to one or more questions, or if seller has indicated a lack of knowledge, there may be one or more earthquake weaknesses in this house.

(Buyer)

(Buyer)

Date

This earthquake disclosure is made in addition to the standard real estate transfer disclosure statement also required by law.

Keep your copy of this form for future reference



CALIFORNIA ASSOCIATION OF REALTORS®

VERIFICATION OF PROPERTY CONDITION (BUYER FINAL INSPECTION) (C.A.R. Form VP, Revised 4/07)

Property Address 2836 Carmel St, Oakland, CA 94602-3409

The purpose of this inspection is to satisfy Buyer regarding the condition of the Property. Buyer and Seller understand and agree that unless otherwise agreed in the prior contractual agreement between Buyer and Seller: (i) a final inspection is not a contingency of the purchase and sale, and (ii) the inspection or waiver is not intended in any way to alter the contractual obligations of Seller regarding the condition of Property to be delivered to Buyer at possession date.

1. Buyer acknowledges that: (1) Property is in substantially the same condition as on the date of acceptance of the offer to purchase/sell; and (2) Seller has completed any repairs, alterations, replacements or modifications as agreed to by Buyer and Seller with the following exceptions:

Multiple horizontal lines for listing exceptions.

The evaluation of the condition of the Property, including any items listed above, is based upon a personal inspection by Buyer and/or tests, surveys, inspections, or other studies performed by inspector(s) selected by Buyer.

OR (if checked):

2. Broker recommends that Buyer conduct a final inspection. If Buyer does not do so, Buyer is acting against the advice of the Broker. [] Buyer waives the right to conduct a final inspection.

Receipt of a copy is hereby acknowledged.

Date _____ Buyer _____

Date _____ Buyer _____

Date _____ Seller _____

Kevin Tsai

Date _____ Seller _____

Julia Song

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VP REVISED 4/07 (PAGE 1 OF 1)

VERIFICATION OF PROPERTY CONDITION (VP PAGE 1 OF 1)



SELLER'S AFFIDAVIT OF NONFOREIGN STATUS (FIRPTA)

(Use a separate form for each Transferor)

(C.A.R. Form AS, Revised 6/17)

1. GENERAL INFORMATION REGARDING FIRPTA AND SELLER'S AFFIDAVIT OF NON-FOREIGN STATUS:

Internal Revenue Code ("IRC") §1445 provides that a transferee (Buyer) of a U.S. real property interest must withhold tax if the transferor (Seller) is a "foreign person." In order to avoid withholding, IRC §1445 (b) requires that the Seller (a) provides an affidavit to the Buyer with the Seller's taxpayer identification number ("TIN"), or (b) provides a proper affidavit, (such as this form) including Seller's TIN, to a "qualified substitute" who furnishes a statement to the Buyer under penalty of perjury that the qualified substitute has such affidavit in their possession. A qualified substitute may be (i) an attorney, title company, or escrow company (but not the Seller's agent) responsible for closing the transaction, or (ii) the Buyer's agent.

2. SELLER'S INFORMATION:

- A. PROPERTY ADDRESS (property being transferred): 2836 Carmel St ("Property")
- B. TRANSFEROR'S NAME: Oakland, CA 94602-3409 ("Transferor")
- C. AUTHORITY TO SIGN: If this document is signed on behalf of an Entity Transferor, THE UNDERSIGNED INDIVIDUAL DECLARES THAT HE/SHE HAS AUTHORITY TO SIGN THIS DOCUMENT ON BEHALF OF THE TRANSFEROR.
- D. EXEMPTION CLAIMED: I, the undersigned, declare under penalty of perjury that, for the reason checked below, if any, I am exempt (or if signed on behalf of an Entity Transferor, the Entity is exempt) from the federal withholding law (FIRPTA):
 - (For individual Transferors) I am not a nonresident alien for purposes of U.S. income taxation.
 - (For corporation, partnership, limited liability company, trust and estate Transferors) The Transferor is not a foreign corporation, foreign partnership, foreign limited liability company, foreign trust or foreign estate, as those terms are defined in the Internal Revenue Code and Income Tax Regulations.

3. QUALIFIED SUBSTITUTE OR DIRECT DELIVERY TO BUYER:

- A. TRANSFEROR'S USE OF QUALIFIED SUBSTITUTE (TITLE OR ESCROW) TO SATISFY FIRPTA
 - (i) A qualified substitute shall be used in this transaction to satisfy the requirements under Internal Revenue Code §1445. Seller shall provide a completed affidavit to the qualified substitute, who will furnish a statement (C.A.R. Form QS) to the Buyer stating, under penalty of perjury that the qualified substitute (i) has the Seller's affidavit; (ii) the affidavit is complete; and (iii) the Seller states in the affidavit that no withholding is required because an exemption is claimed.
 - (ii) Qualified Substitute and listing Broker shall NOT provide the information in paragraph 3B to Buyer.
- OR B. TRANSFEROR ADDITIONAL INFORMATION DIRECT TO BUYER: If this paragraph is checked, Seller shall complete the information below and provide a completed form to Buyer.
 - (i) Social Security No., or Federal Employer Identification No. (TIN) _____
 - (ii) Address _____
(Use HOME address for individual transferors. Use OFFICE address for an "Entity" i.e.: corporations, partnerships, limited liability companies, trusts and estates.)
 - (iii) Telephone Number _____

4. CALIFORNIA WITHHOLDING:

Seller agrees to provide escrow with necessary information to comply with California Withholding Law, Revenue and Taxation Code, §18662
I understand that this affidavit may be disclosed to the Internal Revenue Service by the transferee, and that any false statement I have made herein may result in a fine, imprisonment or both.

By Julia X. Song Kevin Tsai Date 7/16/2019
(Transferor's Signature) (Indicate if you are signing as the grantor/irrevocable/grantor trust.)
Julia X. Song Kevin Tsai
 Typed or printed name Title (If signed on behalf of Entity Transferor)

Buyer's unauthorized use or disclosure of Seller's TIN could result in civil or criminal liability.
 Buyer _____ Date _____
 (Buyer acknowledges receipt of a Copy of this Seller's Affidavit)
 Buyer _____ Date _____
 (Buyer acknowledges receipt of a Copy of this Seller's Affidavit)

IMPORTANT NOTICE: An Affidavit should be signed by each individual or entity Transferor to whom or to which it applies. Before you sign, any questions relating to the legal sufficiency of this form, or to whether it applies to you or to a particular transaction, or about the definition of any of the terms used, should be referred to an attorney, certified public accountant, or other professional tax advisor, the Internal Revenue Service, or the California Franchise Tax Board.

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For further information on federal guidelines, see C.A.R. Legal Q & A "Federal Withholding: The Foreign Investment in Real Property Tax Act," and/or IRS Publication 515 or 519. For further information on state guidelines, see C.A.R. Legal Q & A "California Nonresident Withholding," and/or California FTB Pub. 1016.

FEDERAL GUIDELINES

FOREIGN PERSONS DEFINED. The following general information is provided to assist sellers in determining whether they are "foreign persons" for purposes of the Foreign Investment in Real Property Tax Act (FIRPTA), IRC §1445. FIRPTA requires a buyer to withhold and send to the IRS 15% of the gross sales price of a United States (U.S.) real property interest if the seller is a foreign person. Certain restrictions and limitations apply. No withholding is required for a seller who is a U.S. person (that is, not a foreign person). In order for an individual to be a U.S. person, he/she must be either a U.S. citizen or a U.S. resident alien. The test must be applied separately to each seller in transactions involving more than one seller. Even if the seller is a foreign person, withholding will not be required in every circumstance.

NONRESIDENT ALIEN INDIVIDUAL. An individual whose residence is not within the U.S. and who is not a U.S. citizen is a nonresident alien. The term includes a nonresident alien fiduciary. An alien actually present in the U.S. who is not just staying temporarily (i.e., not a mere transient or sojourner), is a U.S. resident for income tax purposes. An alien is considered a U.S. resident and not subject to withholding under FIRPTA if the alien meets either the **green card test** or the **substantial presence test** for the calendar year.

GREEN CARD TEST. An alien is a U.S. resident if the individual was a lawful permanent resident of the U.S. at any time during the calendar year. This is known as the "green card test."

SUBSTANTIAL PRESENCE TEST. An alien is considered a U.S. resident if the individual meets the substantial presence test for the calendar year. Under this test, the individual must be physically present in the U.S. on at least: (1) 31 days during the current calendar year; and (2) 183 days during the current year and the two preceding years, counting all the days of physical presence in the current year but only 1/3 the number of days present in the first preceding year, and 1/6 the number of days present in the second preceding year.

DAYS OF PRESENCE IN THE U.S. TEST. Generally, a person is treated as physically present in the country at any time during the day. However, if a person regularly commutes to work in the U.S. from a residence in Canada or Mexico, or is in transit between two points outside the U.S. and is physically present in the country for less than 24 hours, he/she is not treated as present in the U.S. on any day during the transit or commute. In addition, the individual is not treated as present in the U.S. on any day during which he/she is unable to leave the U.S. because of a medical condition which arose while in the U.S.

EXEMPT INDIVIDUAL. For the substantial presence test, do not count days for which a person is an exempt individual. An exempt individual is anyone in the following categories:

- (1) An individual temporarily present in the U.S. because of (a) full-time diplomatic or consular status, (b) full-time employment with an international organization or (c) an immediate family member of a person described in (a) or (b).
- (2) A teacher or trainee temporarily present in the U.S. under a "J" visa (other than as a student) who substantially complies with the requirements of the visa. An individual will not be exempt under this category for a calendar year if he/she was exempt as a teacher or trainee or as a student for any two calendar years during the preceding six calendar years.
- (3) A student temporarily present in the U.S. under an "F" or "J" visa who substantially complies with the requirements of the visa. Generally, a person will not be exempt as a student for any calendar year after the fifth calendar year for which he/she was exempt as a student, teacher or trainee. However, the individual may continue to be exempt as a student beyond the fifth year if he/she is in compliance with the terms of the student visa and does not intend to permanently reside in the U.S.

CLOSER CONNECTION TO A FOREIGN COUNTRY. Even if an individual would otherwise meet the substantial presence test, that person is not treated as meeting the test for the current calendar year if he/she:

- (1) Is present in the U.S. on fewer than 183 days during the current year, and
- (2) Has a tax home in a foreign country and has a closer connection to that country than to the U.S.

SPECIAL RULES. It is possible to be both a nonresident alien and a resident alien during the same tax year. Usually this occurs for the year a person arrives in or departs from the U.S. Other special provisions apply to individuals who were U.S. residents for at least three years, cease to be U.S. residents, and then become U.S. residents again.

NONRESIDENT ALIEN INDIVIDUALS MARRIED TO U.S. CITIZENS OR RESIDENT ALIENS may choose to be treated as resident aliens for most income tax purposes. However, these individuals are considered **nonresidents** for purposes of withholding taxes.

A FOREIGN PERSON OR PARTNERSHIP is one that does not fit the definition of a domestic corporation or partnership. A domestic corporation or partnership is one that was created or organized in the U.S., or under the laws of the U.S., or of any U.S. state or territory.

GUAM AND U.S. VIRGIN ISLANDS CORPORATIONS. A corporation created or organized in or under the laws of Guam or the U.S. Virgin Islands is not considered a foreign corporation for the purpose of withholding tax for the tax year if:

- (1) at all times during the tax year, less than 25% in value of the corporation's stock is owned, directly or indirectly, by foreign persons, and
- (2) at least 20% of the corporation's gross income is derived from sources within Guam or at least 65% of the corporation's income is effectively connected with the conduct of a trade or business in the U.S. Virgin Islands or the U.S. for the 3-year period ending with the close of the preceding tax year of the corporation, or the period the corporation has been in existence if less.

A NONRESIDENT ALIEN TRUSTEE, ADMINISTRATOR OR EXECUTOR of a trust or an estate is treated as a nonresident alien, even though all the beneficiaries of the trust or estate are citizens or residents of the U.S.

Buyer's Initials () ()

Seller initials (JXS) (kT)

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AS REVISED 6/17 (PAGE 2 OF 2)

SELLER'S AFFIDAVIT OF NONFOREIGN STATUS AND CALIFORNIA WITHHOLDING (AS PAGE 2 OF 2)



ALAMEDA COUNTY DISCLOSURES AND DISCLAIMERS ADVISORY
*(This form is intended for use with the California Association of REALTORS®
 form "Statewide Buyer and Seller Advisory")*

This Advisory is intended for use in Alameda County, including all cities and unincorporated areas of the County.
 Please read it carefully along with any local Advisories or local disclosures and Seller or Agent Disclosures
 relating to the Property.

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INTRODUCTION

This Advisory provides general information about selling and buying real property in Alameda County and is effective as of April of 2019. It is not intended to be a comprehensive guide to buying real estate nor is it designed to alarm Buyers and Sellers. Although this Advisory does not limit any legal duty of real estate brokers, it does point out some limitations on real estate brokers' duties. This Advisory points out that when purchasing something as important and valuable as real estate, Buyers have a legal responsibility to protect themselves by taking special precautions to investigate the issues detailed in this Advisory and any other issues which impact the use, value or desirability of the Property; consult with the appropriate experts and/or governmental agencies. Do not just rely on real estate brokers or Sellers as sources for all information. When Buyers have questions, doubts or concerns, they should conduct their own investigation with their own chosen professionals. For more information about the areas covered by this Advisory, Buyers can go online at the sites referenced at the end of this Advisory.

The information in this Advisory may change over time and/or new issues may develop due to actions taken at the federal, state, county, city and/or private, local level. Some of the issues that are covered in this Advisory are point of sale or retrofit requirements that may also get triggered by remodeling efforts or efficiency requirements. Sellers and Buyers should investigate the applicability of these requirements to the past, present and future sale, purchase, ownership and/or development of the Property.

- Sellers must disclose anything that is known to the Sellers that materially affects the value or desirability of the Property. Sellers who need help in completing their disclosure obligations should consult with their own qualified, California real estate attorney; Brokers cannot determine the legal sufficiency of any disclosure.
- Sellers should conduct a diligent search of their documents to determine if they have any reports, disclosures, repair estimates and invoices (of any age) or other information which relate to the Property or the issues in this Advisory and provide a copy of that material to Buyers preferably with the Sellers' disclosure documents regardless of which disclosure forms are used.
- Sellers and Buyers should read this Advisory in conjunction with a careful review of all disclosures required by Sellers and by the real estate Brokers involved in the transaction including, without limitation, the Real Estate Transfer Disclosure Statement and the Supplemental Property Questionnaire, if provided by Seller.
- Buyers are responsible for conducting their own investigations into the issues discussed in this Advisory as well as those issues that are not referenced in this Advisory to the extent that those additional issues may affect the Buyers' determination of the use, value, desirability or development of the Property. That investigation should take place prior to the Buyer's removal or waiver of any investigation contingency. Buyers are urged to:
 - Carefully read the information contained in all advisories, pamphlets, disclosures, inspections, and/or reports that Buyers receive from any source.
 - Conduct additional/further investigations and inspections regarding any issues that concern Buyers which are raised in the documents received by Buyers from any source.
 - Thoroughly and thoughtfully inspect and evaluate the Property and, in so doing, meet Buyers' obligation to protect themselves, including those facts which are known to or within the diligent attention and observation of the Buyers.
- Buyers need to inquire into any additional matters (beyond those in this Advisory) to the extent that those additional issues affect the Buyers' determination of the use, value, desirability or development of the Property.
- Buyers must bear in mind that a Property may suffer defects and deficiencies which neither Sellers nor Brokers are aware. Buyers should also recognize that not all issues can be objectively determined and some issues can have varying impacts on different people since some people may be more sensitive than others.
- Buyers are urged to engage licensed professionals to evaluate all aspects of the Property and to consult all appropriate governmental agencies. Buyers' right to conduct certain types of investigations may be limited by the Purchase Contract or other factors such as Homeowners' Association requirements.

- Any representations about the issues in this Advisory made by third parties have not been verified by Brokers and need to be independently confirmed by Buyers.
- **Although licensed to list, sell and lease real estate, Brokers may not have expertise on the issues in this Advisory.**

The real estate licensees involved in the transaction do not warrant or guarantee the accuracy of the information contained in this Advisory or the adequacy of the information contained herein as it relates to a specific real property transaction.

A. MARKET CONDITIONS ADVISORY

Real estate markets are cyclical. It is impossible to predict what market conditions will be at any given time. The ultimate decision of how much to offer on any property rests with Buyers. Buyers need to decide what they are willing to pay in light of market conditions and their own financial resources. Buyers must also decide what type of offer to make in recognition of existing market conditions. Purchase price is not a simple calculation based upon square footage but an agreement as to what Buyers will pay and what Sellers will accept.

Real estate brokers traditionally recommend that Buyers protect themselves by conditioning their purchase on an inspection of the Property so that the Buyers can be assured that the Property meets their needs. In some markets, many Buyers are choosing to forego that sage advice so that their offer is more attractive to Sellers. If, after making an offer without an investigation contingency, Buyers become aware of an aspect of the condition of the Property that affects its value or desirability, Buyers may still be required to proceed to purchase the Property or possibly pay damages to the Seller, which may be the deposit in escrow. If this is a condition that must subsequently be repaired, Buyers may have no legal recourse against any of the parties in the transaction after escrow closes, including the Seller, the brokers or the inspectors, and then the Buyers may have to pay to correct those problems.

Waiving the right to have a contingency regarding inspection of the property does not necessarily waive the Buyers' right to access the Property, even if the Property is being sold "AS IS". Regardless of whether there is an investigation contingency, Broker recommends that prospective Buyers have the Property thoroughly inspected by their own experts prior to the close of escrow.

The lender's approval of financing includes the lender's determination that (1) Buyers are creditworthy and can afford to make the mortgage payments and (2) that the Property appraises for at least the principal amount of the loan. Even if Buyers have obtained a pre-qualification or pre-approval letter from a lender, the lender may not ultimately approve the loan if the lender's appraiser determines that the Property's fair market value is less than the amount of the purchase price or if the Buyers' financial/employment situation has changed. If there is no financing contingency and the Property does not "appraise", Buyers may not be able to afford to make up the difference between the loan amount applied for and the loan amount actually offered by the lender. Under those circumstances, Buyers may not be able to perform on Buyers' contractual obligations. This could then result in the Buyers paying damages to the Seller. **It is a serious risk for Buyers to eliminate from the purchase contract their right to have a financing and/or appraisal contingency if they intend to secure a loan.**

B. GENERAL PROPERTY ADVISORIES

1. **EXISTING HOUSING STOCK**: Many properties have been built under different building codes and may not accommodate current or future personal property items such as electric cars. Regardless of its age, Buyers should have the Property inspected by a competent property inspector and obtain additional inspections recommended in any inspection report, or as may be necessary for Buyers to determine the actual condition of the Property. The Property's components, appliances, fixtures, systems and materials may have varying degrees of remaining useful life and may be subject to failure without notice. In addition, not all components, improvements or fixtures of the Property may comply with current code, zoning, health and safety, setback requirements, religious or cultural preferences. Some homes contain appliances, products or manufactured materials, such as Chinese dry wall, which may be defective, create problems with the use or value of other

aspects of the home and/or may be subject to manufacturer or governmental recall and/or a class action lawsuit. All homes include many components which require ongoing maintenance. Deferred maintenance will decrease the life span and/or functionality of many of these components. Buyers should seek reliable advice from appropriate professionals and to plan/budget for maintenance and future repairs.

2. **FLOORS AND WALLS:** The personal property of the Seller may make a visual inspection of floors and walls difficult. The existence of certain types of floor coverings, such as carpeting and rugs, as well as certain types of wall coverings, such as wallpaper and paneling, and furniture prevent inspectors and brokers from inspecting the condition of the floors and walls beneath those materials. When exposed, these areas may have a different pattern of wear or shade of color. If Buyers wish to determine the condition of the floors and walls beneath such coverings, Buyers will need to secure the written authorization of the Seller to conduct investigations with appropriate professionals since removal of floor coverings may be required.
3. **TEMPERED GLASS:** Many homes contain glass that IS NOT tempered in locations where tempered glass IS required by building regulations. Buyers are advised to have a contractor's inspection to identify the presence of any glass that is not properly tempered before removing a physical investigation contingency. Buyers should consider replacing any non-tempered glass with tempered glass to reduce the risk of injury.
4. **FIREPLACES; WOOD-BURNING APPLIANCES:** Residential wood burning is the leading source of wintertime air pollution in the Bay Area and studies have confirmed there are significant health impacts from exposure to fine particulate matter found in wood smoke. The Bay Area Air Quality Management District ("BAAQMD") established the Wood Smoke Rule, Regulation 6, Rule 3 to reduce wintertime smoke pollution and protect public health. The Wood Smoke Rule requires anyone selling, renting or leasing a property in the Bay Area to disclose the potential health impacts from air pollution caused from burning wood. Fine particulate matter, also known as PM_{2.5}, can travel deep into the respiratory system, bypass the lungs and enter the blood stream. Exposure may cause short-term and long-term health effects, including eye, nose and throat irritation, reduced lung function, asthma, chronic bronchitis, cancer and premature deaths. Exposure to fine particulates can worsen existing respiratory conditions. High PM_{2.5} levels are associated with increased respiratory and cardiovascular hospital admissions, emergency department visits, and even deaths. Children, the elderly and those with pre-existing respiratory or heart conditions are most at risk from negative health effects of PM_{2.5} exposure. Buyers should consult with a licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace insert according to manufacturer's specifications to help reduce wood smoke pollution. The Air District encourages the use of cleaner and more efficient, non-wood burning heating options such as gas-fueled or electric fireplace inserts to help reduce emissions and exposure to fine particulates.

When the BAAQMD issues a Winter Spare the Air Alert during the winter season from November 1 through the end of February, it is illegal to burn wood, manufactured fire logs, pellets or any solid fuels in fireplaces, wood stoves or outdoor fire pits. To check when the air quality is unhealthy and when a Winter Spare the Air Alert is issued, call 1-877-4NO-BURN or visit www.baaqmd.gov or www.sparetheair.org.

The information in **Paragraph 4** was provided by BAAQMD. Brokers have not verified and will not verify any of the information provided by BAAQMD.

5. **SQUARE FOOTAGE AND LOT SIZE:** Different sources of size information including but not limited to Sellers and Appraisers often provide different square footage or lot size numbers for a property; public records may be, and often are, inaccurate and thus there are frequently discrepancies in the advertised sizes. Buyers are advised that square footage and/or lot size numbers, which may be obtained from various sources such as public records, MLS and others and are provided to Buyers regarding the Property are not, and will not be, verified by Sellers or the real estate agents. Buyers should obtain a specific disclosure regarding any known size discrepancies from Sellers and/or the real estate Brokers. **If the square footage or lot size of the Property is an important consideration in Buyers' decision to purchase the Property and/or the price that Buyers are willing to pay, then Buyers must independently conduct Buyers' own investigation through appropriate professionals and rely solely on that data.**
6. **FENCE MAINTENANCE:** If the Property has a fence that is located on the boundary line, Civil Code Section 841 provides that the adjoining private landowners have an equal obligation to maintain the fence. However, fences are often not located on the boundary line and when that is true, who is responsible for maintaining the fence is a legal determination. Thus, questions regarding who is responsible for repairing or maintaining a fence should be reviewed with a qualified California real estate attorney. Brokers are not qualified to make that determination.

7. **TREES AND VEGETATION: Protected Trees.** Most cities have an ordinance that requires property owners to obtain a permit prior to removing *Protected Trees (also known as Heritage Trees)* from their property. *Protected Trees* are defined within the code of each city (such as Dublin and Newark). Removing or damaging any *Protected Tree* without the proper permit constitutes an infraction. In addition to the cost of the infraction, violators may be liable for damages. A City may place a lien on the Property if imposed fees are not paid on a timely basis. That lien may subsequently be added to the county property tax bill.

In addition, the Alameda County Tree Ordinance requires property owners planning to perform any of the following activities to obtain an approved permit from the Alameda County Public Works Agency: Pruning/Trimming of branches over one (1) inch in diameter (permits are not required for minor pruning of branches one (1") inch in diameter or less), planting or removing a tree.

Hazardous Trees: Some cities define hazardous tree conditions within their Municipal Building Codes and address ways of mitigating those conditions on both private and public property. There are often stringent time frames for responding to hazardous tree claims. If hazardous tree claims are not resolved privately, a claimant may, as a last resort, pursue the claim through the court system.

View Ordinances: Some cities have view ordinances that restrict the height of trees so that trees do not unreasonably obstruct the view that existed at the time of purchase of the property. Certain trees that are part of the natural habitat can be exempt from this law. Often a view property will have recently trimmed trees and shrubs revealing the view. Buyers should take note that maintaining that view could entail not only trimming foliage on their own property, but also enlisting the cooperation of their neighbor to keep their foliage trimmed, usually at the Buyers' expense. Cities do not take an active role in these issues; rather they encourage the private resolution of such disputes. Each city has a slightly different mechanism for handling these situations, and Buyer is encouraged to review the Municipal Code during their inspection period.

Buyers are encouraged to seek the advice of a licensed arborist for any questions regarding trees that are on the Property or on a neighbor's property.

8. **RIVER, CREEK AND LEVEE PROTECTION:** Many properties are impacted by creeks (a narrow channel or small stream), underground aquifers, and/or culverts (a man-made structure used to enclose a flowing body of water which is usually designed to allow water to pass underneath a road or other structures). If the Property includes, abuts or is located near a creek or culvert, Buyers should investigate the possibility of flooding and/or water intrusion or other nuisances that may result from proximity to those water sources by contacting appropriate experts. Brokers cannot determine these issues. In addition, some cities have enacted regulations regarding creeks and culverts making maintenance of these creeks and culverts the responsibility of adjacent property owners which can involve considerable expense.

For example, in the unincorporated areas of Alameda County, property owners whose land has a watercourse that abuts or passes through the property must maintain that part of the watercourse and keep it reasonably free of trash, debris, excessive vegetation and other obstacles and must make certain that any structures on the property will not become a hazard to the use, function or physical integrity of the watercourse. Buyers should review the Alameda County Watercourse Protection Ordinance with their own experts regarding these issues and before commencing any work in, over or near a watercourse.

9. **FLOOD MAPPING:** Flood maps and flood designations for all properties may change over time which could impact the future use, value, desirability or development of the Property as well as its insurability. Rising sea levels may also have an impact on future flooding. Under the "Homeowner Flood Insurance Affordability Act of 2014," properties in flood zones, designated in an NHD report, will experience annual premium increases which could be as much as 18% to 25% per year. For further details regarding any specific Property, go to: <https://www.floodsmart.gov/floodsmart/> or <http://www.realtor.org/articles/senate-passes-flood-insurance-with-house-amendments>
10. **ENVIRONMENTAL MAPPING:** Some of the third-party Natural Hazards Disclosure ("NHD") companies may provide information regarding environmental hazards that are mapped by the federal government, state or local entities such as Super Fund Clean-Up sites. Buyers should consider discussing with the NHDS provider what environmental disclosures and maps may be available.

- 11. WILDFIRE HAZARDS:** Wildfire disasters can create health and safety concerns in the aftermath of clean-up efforts, as well as unknown and possible future concerns related to the rebuilding of infrastructure in the impacted areas. Some of the concerns and issues of wildfires include, but are not limited to: lot clearing costs; environmental clean-up concerns; local, state and/or federal regulations for issuing permits and/or for authorizing rebuilding efforts; availability of insurance and/or utilities; construction-related inconvenience and delay; and the impact that federal, state or local disaster declarations may have on materials, prices, costs and rent. Buyers should investigate all wildfire related issues to determine what impact, if any, those issues may have on the Buyer's current and future use or development of the Property.
- 12. UNDERGROUND STORAGE TANKS (UST):** Many of the larger, older homes in this area built before 1935 may have or have had an Underground Storage Tank for the fuel oil that fired the Property's furnace. As natural gas became the more common standard fuel for home furnaces, virtually all of the old furnaces have been replaced. However, many of the fuel oil tanks remain buried on the property. In residential applications, the California State Water Resources Control Board regulates all UST's in California. The licensing, inspection and regulation of UST's in residential application are currently exempt provided the tank is less than 750 gallons and was used for fuel oil only. However, this does not guarantee that the Property would be exempt from abatement if a UST is discovered upon the Property. Each municipality has very different regulations concerning UST's that may include removal and soil clean-up of any toxic material that may have leaked from the tank. Buyers and Sellers are advised to speak directly to the Public Works Department, Building Department and/or Fire Department in the pertinent city concerning specific regulations affecting UST's.
- 13. CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS AND HOMEOWNERS' ASSOCIATIONS:** If the Property is in a Common Interest Development ("CID"), the Seller should request that the Homeowners' Association ("HOA") provide all required documents regarding the HOA operation and expenses to meet the Seller's disclosure obligations under Civil Code Section 4525. It is strongly recommended that Buyers receive the current HOA documents directly from the HOA rather than from any online service or from an earlier transaction. Although Sellers can legally provide their own copies of the required documents, the best practice is to have the HOA provide the documents so that the most current information is provided to Buyers.

Buyers need to carefully examine all of the documents that are provided regarding the HOA and compare the documents with the list of required disclosures specified in the HOA form from the California Association of REALTORS®. If any document(s) are missing, Buyers should send a written request to the Seller that the Seller provide the missing documents and/or provide a written explanation for why the document(s) were not included with the other HOA documents.

Some HOA's do not prepare or keep all documents required by the law, such as reserve studies and/or financials and may not be operating in compliance with the law. As a result, Buyers may only receive a portion of the state required documents; in which case Buyers must be aware that they are buying into an HOA without the benefit of the information those documents would provide. Buyers should retain the services of experts, such as attorneys, accountants or others who specialize in reviewing HOA documents to determine the adequacy of the reserves and whether or not the Property is suitable for the Buyers' intended uses.

Any changes or improvements to a unit generally require some form of review and approval by the HOA. The HOA may impose significant restrictions on any changes, especially those which impact the common area(s). These restrictions may include imposing maintenance obligations and/or indemnification requirements in case of damage during installation. Buyers should review all HOA restrictions and determine the impact of those restrictions, during the contingency period, if they intend to make changes including but not limited to those which involve adding solar energy systems onto common area roofs or adding special equipment for televisions and other electronic equipment. Another example is that HOAs often restrict the type of floor and/or wall material that can be used in certain units and/or the number of pets due to noise and other factors; however, reasonable accommodations must be made for assistance animals. Buyers should directly contact the HOA Board to determine whether or not the Property can be used for Buyers' intended purposes. Buyers should also determine whether or not the Property meets Buyers' subjective personal preferences. Buyers should keep in mind that HOA governing documents can change over time (by board action, the member approval process and/or court action) thus there is no guarantee that the Buyers' future intended uses will be allowed See also **Paragraphs 38 and 39** regarding long-term and short-term rental issues.

Many CID have been involved in or are presently involved in litigation regarding the design, construction, maintenance and/or condition of all or a part of the Development. Whether or not these lawsuits are successful, litigation is expensive and the cost of such legal actions may impact not only the adequacy of the HOA reserves but also the amount of current or future assessments. The existence of HOA insurance does not necessarily mean that there is insurance coverage for any given single interest or unit in the CID, an owner's remodeling or upgrade efforts, and/or the owner's contents.

Occasionally issues arise in the purchase of property in a CID regarding parking and/or storage spaces associated with a single interest or unit in the Development. Buyers should determine for themselves whether or not the allotted parking space(s) are adequate to park the Buyers' vehicle(s) in the assigned spaces by actually parking in those spaces. Parking space(s) and storage space(s), if any, may be described in a Condominium Map or in the Preliminary Report issued by a Title Company. The actual markings, striping and numbering of these space(s) may not accurately reflect the actual spaces and may be in conflict with the space(s) designated in the recorded documents. It is therefore crucial that Buyers personally determine that the parking and storage space(s) that are designated in the recorded documents are actually being transferred to Buyers and that those space(s) are acceptable for the Buyers' intended needs and uses of the Property. See also **Paragraph 50** re Sewer Line Inspection and Compliance if there is an HOA.

Sellers who have ever served on the HOA Board, may have access to information and documentation that is not provided by the HOA and/or which is deemed "confidential" or protected by an "attorney client privilege". Sellers should consult with their own qualified California real estate attorneys to determine how they will need to disclose that additional information; Brokers are not qualified to evaluate or investigate those legal issues.

Real estate licensees are not obligated to inspect the common areas of the CID. Buyers should therefore investigate the general condition of the entire CID subject to the authorization of the HOA.

14. **PLASTIC PIPE:** Some builders in Alameda County used PEX water pipes in constructing homes. This type of pipe, manufactured under the name of KITEC®, has been alleged in a class action lawsuit to be faulty and a settlement of that lawsuit has been reached. Buyers should investigate whether or not there are any plastic pipes or fittings prior to removing their investigation contingency and investigate the current and future condition of those pipes. For additional information about this particular product and/or to learn more about the lawsuit, there is a website available at: <http://www.kitecsettlement.com/faq.cfm>. Buyers should also contact a qualified California real estate attorney to discuss any questions they may have regarding their ability to recover proceeds from this settlement.
15. **INSURANCE AND C.L.U.E. REPORTS OF INSURANCE CLAIMS:** As part of Buyers investigation into their ability to obtain homeowners' insurance coverage, Buyers should ascertain if their chosen insurance company will require certain retrofit repairs, such as installation of safety glass and/or fireplace spark arresters and a gas shut-off valve. The fact that an insurance company may require these repairs does not necessarily mean that the Seller is obligated to pay for and/or make the repairs requested by the insurer. In addition, prior claims submitted by Buyers on other properties may affect the final cost of the homeowners' insurance on the property being purchased by Buyers. Buyers should investigate these matters thoroughly prior to removing their investigation contingency.

Standard real estate purchase agreement forms require Sellers to provide Buyers with insurance claims history for the property for a period of five years preceding the sale. Sellers do not always know (or remember) the insurance claims history. Natural Hazards Disclosure Statement ("NHDS") Reports had included a report used by insurance companies called C.L.U.E., but NHDS Reports no longer include those reports. Because a C.L.U.E. report itself is not required, Sellers may disclose the insurance information themselves as part of the disclosure process. For the most accurate information regarding past insurance claims, Sellers may be able to either: (a) go online to: <https://personalreports.lexisnexis.com/> and create an account that will enable the Sellers to order a C.L.U.E. report; or (b) contact their homeowner insurance policy broker who may be able to provide a copy. Buyers can also include in their purchase contract an obligation for Sellers to provide them a C.L.U.E. report.

16. **ONLINE INFORMATION:** Information regarding the Property or the neighborhood may exist online in blogs, discussion boards, Nextdoor, Facebook pages, and other forms of social media. Some neighborhood associations and Homeowner's Associations (HOAs) have official sites; whereas other unofficial sites written by third parties may exist with postings about the community. Some of the online sites offer viewers the opportunity

to express opinions and air complaints. The information contained on those sites may consist of opinion, speculation, unfounded assertions or rumor, making it difficult to determine what is factual and what is not. **Neither Seller nor any of the real estate licensees may be aware of, nor will they conduct a search of, such online information even if they are using or have used those platforms to advertise goods or services. Real estate licensees are not obligated to verify or explain the posted issues and/or commentary of third parties.**

17. **PROBATE SALES AND COURT CONFIRMATION:** An executor or administrator (the "Representative") of a probate estate may sell estate property if it is in the best interests of the estate to do so. The sale of estate real property is typically subject to Probate Court Confirmation. The Independent Administration of Estates Act ("IAEA") provides a simplified method of probating estates with limited court supervision. Under the IAEA, the Representative may list real property with a broker for a period not to exceed 90 days without prior court approval and to sell the Property without court confirmation, unless a person named in the will or other person who is entitled to receive a Notice of Proposed Action objects; in which case court confirmation will be required. The Representative's ability to sell without court supervision or approval under IAEA is not absolute and is conditioned upon there being no objections by interested persons (generally, the heirs). If there is any objection, Court Confirmation may be necessary.

Probate property is always sold "As-Is" and certain standard disclosure forms, such as the Real Estate Transfer Disclosure Statement, are not required. However, the Representative must nonetheless disclose all actual knowledge of material facts affecting the value or desirability of the Property.

If Court Confirmation is required and is subject to open competitive bidding (which is true in probate, conservatorship, guardianship, receivership or bankruptcy sales), it is strongly recommended that Buyers personally appear in Court when their offer is scheduled for confirmation. Buyers should understand that in most sales requiring Court Confirmation, the Property may continue to be marketed and that their broker and others may represent other competitive bidders prior to and at the Court Confirmation hearing. Different types of courts have their own rules for how to handle the possibility of over-bids, including whether initial deposits need to be in a certain amount or whether an over-bid needs to be a specific percentage above the original offer. Any questions regarding the specific rules for the Court where the confirmation hearing is to be held should be directed to the clerk of that Court. It is also strongly recommended that Buyers consult a real estate attorney who is knowledgeable about Court Confirmation sales since real estate brokers/agents are not qualified to provide legal advice.

18. **SMOKE ALARMS AND CARBON MONOXIDE DETECTORS:** California Health and Safety Code §13113.8 requires installation of smoke alarms in residential property. If a TDS is required, the Sellers certify in the TDS that the Property has (or will have prior to Close of Escrow) operable smoke alarms which are approved and installed in compliance with the State Fire Marshal's regulations and applicable local standards, including installation of alarms with 10-year batteries in all bedrooms before finalizing any permitted contracting work costing \$1,000 or more. State law requires carbon monoxide detectors in living areas of residential properties that have fossil fuel burning appliances, even if those appliances are several floors below, for example, furnaces in the basement of a condominium building.
19. **WATER HEATERS:** Under State law, all water heaters must be braced, anchored or strapped to resist falling or horizontal displacement due to earthquake motion and Sellers of Property must certify to Buyers that the bracing requirement has been satisfied. In addition, water heaters which are newly installed or moved must be raised so their ignition point is 18 inches off the ground. Many other plumbing code requirements may also apply, e.g. gas venting, pipe wrapping, temperature and pressure relief valves, bollard protection in garages.
20. **ANIMALS:** The past or present existence of animals anywhere on the property may be a red flag of damage or other problems. Animal urine and feces can damage floors, floor coverings, walls, baseboards, or other components. Additionally, animals can attract fleas, ticks and other pests that can remain on the Property after the animal has been removed. Complete elimination of odors and other problems created by animals may not be possible even by professional cleaning efforts or replacing carpets, pads and other affected components. Property may be subject to local ordinances regulating the maintenance, breeding, number or type of animals permitted, or other requirements such as spaying or neutering. Buyers should investigate whether Homeowner and Common Interest Associations have imposed restrictions on animals. Neighbors may have animals that can cause problems including but not limited to noise or odors. Common pets such as dogs can bark, cats are not

easily contained, and in some cases more unusual animals (e.g. poultry, exotic birds, and reptiles) may create issues that impact the value, use and enjoyment of the Property.

California is home to a wide variety of animals, birds, reptiles and insect life, including but not limited to ants, bedbugs, bats, rodents, snakes and larger wild animals such as mountain lions and deer, some or all of which may enter or inhabit the Property and may be difficult to eliminate or control. These creatures can damage landscaping, might be a hazard to people, pets or other animals and may cause issues that impact the Buyers' use and enjoyment of the Property. Proximity to rural or open space areas increases the likelihood of this problem. Buyers should investigate these issues with licensed professionals, including local animal/pest control companies, and/or other qualified agencies or organizations during Buyers' inspection period.

21. **ARCHITECTURAL AND CONSTRUCTION PLANS:** Property owners often have architectural/ construction plans and renderings, whether or not those plans were ever approved or used for any purpose. These plans and drawings do not "run with the land" even if the plans were used to build existing structures and even if they are on file with the local planning department. In most situations, Sellers's contracts with the architect specify that the plans remain the possession of the architect; the Seller is granted a limited "non-exclusive license" to use that material. Thus, Sellers generally do not have the legal right to advertise, sell or give that documentation to Buyers without the express written authorization of the architect who in all likelihood has copyrighted the plans. Buyers who want to use the Sellers' plans and drawings for any purpose should contact the creator of the plans directly for authorization to use that material.

C. FEDERAL, STATE AND REGIONAL CONDITIONS ADVISORIES

22. **UNSTABLE HILLSIDES:** Many hillside properties are active and potentially active landslide areas. Many of the geologic forces which have shaped California over the eons are still active today. The only way to determine the nature of the soil and bedrock under a structure, and how these forces may affect those structures, is with a geologic or geotechnical inspection and report.
23. **EXPANSIVE SOILS:** Some parts of Alameda County have expansive, or adobe, soil which will expand and contract with the wet and dry seasons. This expansion and contraction can cause movement or shifting of structures and their foundations.
24. **HIGH WATER TABLES:** Some parts of Alameda County have high water tables that can intensify mold growth and compromise the stability of soil and/or foundation. In addition, high water tables may affect the use and enjoyment of the surrounding land, particularly during months of heavy rain. Buyers should consult the appropriate experts to help evaluate the effect of high-water tables on the subject property and, when necessary, consider drainage modifications to protect the structure and improve the use and enjoyment of the surrounding landscape.

Some real property in Alameda suffers from drainage and soils issues, which can lead to settlement affecting the structural integrity of the property. Occasional heavy rains, high water tables, and variations in yard elevations, can also cause standing water and poor drainage. Buyers should consult with appropriate experts regarding any concerns. Buyers are also referred to the City of Alameda at (510) 747-4700.

Reports from Natural Hazard Disclosure (NHD) companies may not contain all information from all sources regarding the Property and surrounding conditions and cannot be relied on for all information regarding natural hazards which may affect the Property. Brokers recommend that Buyers have any Property they are purchasing inspected by a qualified geologist, geologic or geotechnical engineer, or other qualified professional.

25. **WET WEATHER CONDITIONS:** At times, this area may have months with heavier than usual rainfall. During these times, hillside properties may be susceptible to earth movement and drainage problems. Properties on flatlands may be susceptible to flooding. Properties which may not have experienced water intrusion into or under the property in the past may experience these conditions as a result of weather-related phenomena. Sellers are obligated to disclose to Buyers those material defects or conditions known to them which affect the value or desirability of the property; however, not all Sellers may be aware of recent changes in the conditions of the property or its improvements caused by unusually wet weather. Because of these factors, it is recommended that, in addition to a home inspection, Buyers have such additional inspections by inspectors or engineers regarding these conditions as Buyers may desire.

26. CLIMATE CONDITIONS: The Alameda area exhibits several micro climates. Buyers are advised that these areas are subject to frequent strong winds, wind-driven rain, fog and mist, and direct sunlight, any of which, alone or in combination, can impact the condition of the land as well as prematurely age the interior and exterior of structures. Erosion, warping and cracking of surfaces, failed seals on dual-paned windows, loss of roof shingles, and water intrusion, among other problems, are not uncommon with such properties, and thus these properties require regular, thorough maintenance. In particular, properties located near sources of water, such as the Bay, rivers and streams may require additional, more thorough maintenance. Buyers are advised to fully investigate these conditions and to determine for themselves the cost of any increased maintenance and repairs that may be needed for any Property located in these areas.

27. PERMIT ISSUES: An improvement that is made without the required permit can, among other things, have a negative impact on value, require a retrofit, impact habitability, preclude insurance coverage and/or result in fees, penalties, government and/or civil enforcement actions. One such example would be where a second living unit (an accessory dwelling unit "ADU") is being rented by the Seller but the required permit was not obtained for this ADU. In some cities, there may be a lower standard applied in those circumstances where the property owner is obtaining the permits, as opposed to a contractor doing so. Obtaining and finalizing permits may trigger additional retrofit requirements that are not required as a condition of sale. Examples include but are not limited to water conserving plumbing fixtures and safety devices to prevent drowning of small children in pools and spas. See Paragraphs 34 and 35.

Permit inspection periods in the City of Alameda can take at least two or more weeks to be completed. To prevent any delays to escrow and prevent any possible monetary loss, plan accordingly for the automatic gas shutoff valve requirement, EBMUD PSL testing, etc. signoffs. For more information, contact the Alameda Community Development Department (510) 747-6800.

28. NONCONFORMING USES, ROOMS, ALTERATIONS OR ADDITIONS: Any rooms, alterations or additions to the Property which were done without necessary permits or certificates of completion ("nonconforming improvements") may be subject to fines, permit and construction costs, and other expenses to bring into conformity. Nonconforming improvements may be subject to removal by local building inspection and code enforcement agencies. Nonconforming rental units may be required to be vacated and possibly torn down. It may not be feasible to legalize nonconforming improvements because of zoning, permit and/or other legal or regulatory limitations. Some building inspection and code enforcement agencies may conduct random inspections of properties for permit, code and other violations while the Property is being marketed. Such nonconforming improvements may also be discovered when anyone applies for a permit to do work on the property either before or after escrow closes. Whenever nonconforming uses are discovered, the then-current owner could face expensive repairs, permit fees and other costs and/or even removal of the nonconforming improvement.

While Sellers are obligated to disclose any known nonconforming improvements, Seller may not be aware of some or all illegal improvements or uses especially those that were made prior to Seller's ownership of the Property. Real estate brokers and agents are not required by law to inspect public records and cannot determine the legal status of improvements based solely on their required visual inspection of the property. Thus, Buyers are strongly urged to investigate possible nonconforming improvements by personally contacting the local building inspection and code enforcement agencies as well as obtaining the advice of contractors, architects, engineers or other professionals regarding the status and condition of the Property prior to removing the investigation and inspection contingencies.

29. BALCONIES/DECKS INSPECTION AND RETROFIT REQUIREMENTS: Effective January 1, 2019, state law requires an owner of multi-family buildings with 3 or more dwelling units to conduct an inspection of and make any necessary repairs to exterior decks, balconies and other components that are elevated more than 6 feet above the ground. The inspection must be completed by January 1, 2025 and will require subsequent inspection by January 1st of every six years thereafter. The purpose of the inspection is to determine whether the decks, balconies, and exterior elevated elements and their associated water proofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay or improper alteration. State law requires that the inspection be performed by certain qualified professionals. The law sets forth timelines for the completion of the report, delivery to the owner, and completion of any repairs or replacement. Fines, penalties and/or liens on the property can be imposed for non-compliance with this law. State

law allows cities and counties to enact their own regulations which may be stricter than the state requirements, including but not limited to extending the inspection and repair requirements to other exterior components, such as landings, exit corridors, stairway systems and other elements to determine if these structures are in safe condition, in adequate working order and free from hazards, dry rot, fungus, deterioration, decay, improper construction or hazardous conditions. Buyers are strongly urged to investigate possible inspection and retrofit requirements by personally contacting the local building inspection and code enforcement agencies as well as additional licensed professionals regarding the status and condition of any building components at the Property prior to removing any investigation contingency.

- 30. SEISMIC RETROFITTING/SOFT-STORY BUILDINGS:** Some cities, such as Oakland, are in the process of enacting strict seismic retrofit requirements to minimize significant property damage and loss of life in the event of an earthquake, while other jurisdictions, such as the City of Alameda, are maintaining lists of potentially unsafe properties. One type of structure that is prone to substantial earthquake damage is a multi-story wood-frame building supported by slim columns with garages or storefronts underneath; many of these structures collapsed in the 1989 Loma Prieta earthquake. All soft-story buildings may need to be upgraded, not as a condition of sale but over time. Buyers are strongly urged to investigate possible inspection and retrofit requirements by personally contacting the local building inspection and code enforcement agencies as well as licensed professionals regarding the stability of soft-story buildings prior to removing any investigation contingency. Buyers are also encouraged to review the state pamphlet *The Homeowner's Guide to Earthquake Safety*; Brokers have no expertise in determining structural integrity or the need for any retrofitting.
- 31. HISTORIC RESOURCES:** Some towns, including Fremont, Pleasanton and Union City, have enacted ordinances to preserve and protect certain properties or areas that have been deemed to be of historical significance. Real estate brokers are not qualified to identify the legal or practical effect of any historic designation. Buyers should investigate these issues with the local planning department.'
- 32. UNDERGROUND UTILITIES:** Some towns and cities have begun the process of burying utility lines underground in order to remove the utility poles in the neighborhood. These projects can result in special tax assessments and set-up costs for the individual homeowners. It is recommended that Buyers investigate this issue with Pacific Gas and Electric Company ("PG&E").
- 33. CRIME:** The existence of crime is a fact of urban life. Some areas experience more crime than others. Crime statistics for various areas and municipalities may rise and fall over time and the incidence of various types of criminal activity may also increase or decrease. At times, local law enforcement agencies may target designated areas for special but temporary enforcement measures. Individual criminal acts may occur in any neighborhood or may occur close to a property that is being sold while other criminal acts may occur far away. Some crimes may be reported in the local news while others are ignored by the media. Because of the ever-changing nature of the statistics and information regarding crimes, neither Seller nor brokers will independently investigate crime or criminal activity in the area of any property being purchased by any means including, but not limited to, contacting the police or reviewing any internet data bases. If criminal activity is a factor in the decision to purchase a particular property, or in a particular neighborhood, Buyers are urged to check with the local law enforcement agencies and online information, prior to removing their investigation contingency.
- 34. WATER-CONSERVING PLUMBING FIXTURES:** Existing law calls for installation of water-conserving plumbing fixtures when the existing plumbing fixtures are "noncompliant" by certain dates, as discussed here. A **noncompliant plumbing fixture** means: (1) any toilet manufactured to use more than 1.6 gallons of water per flush; (2) any urinal manufactured to use more than one gallon of water per flush; (3) any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute; and (4) any interior faucet that emits more than 2.2 gallons of water per minute. There are various dates for compliance:

SINGLE-FAMILY RESIDENCES: Under this law, a condo, even a single condo occupied by only one family, is not a single-family residential property. As of **January 1, 2017, all single-family residences built prior to January 1, 1994 must comply with this law by replacing all noncompliant plumbing fixtures whether or not the property is being remodeled or sold.**

Sellers must disclose to Buyers, in either the Seller Property Questionnaire (SPQ) or the Exempt Seller Disclosure (ESD) form, if Sellers are aware of whether the Property has any noncompliant plumbing fixtures. If a Seller answers "No" to that question, Buyers should not assume that the Property is fully

compliant since the “No” response may merely mean that Seller is unaware or is uncertain as to whether or not any such fixtures are noncompliant. For this reason, as a part of their property inspection of Properties subject to this law, Buyers are urged to have all plumbing fixtures inspected by a qualified professional to determine whether all plumbing fixtures are actually compliant with this law.

Sellers and Buyers are advised to determine, prior to contract acceptance, which Party will be responsible for the cost of the water-conserving plumbing fixtures retrofit.

MULTI-FAMILY AND COMMERCIAL PROPERTIES: Effective January 1, 2019: All multi-family and commercial properties must comply with this law by replacing all noncompliant plumbing fixtures. Sellers will need to disclose to the prospective Buyer if Seller is aware of the existence of any noncompliant plumbing fixtures at the property.

For rental property, compliant plumbing fixtures shall be installed and operating at manufacturer's rated water consumption at the time a tenant takes possession.

- 35. POOL AND SPA SAFETY:** Commencing January 1, 2018, all home inspection reports used in the sale of a single-family residence, must indicate whether or not a Property with a pool and/or spa has any of the 7 drowning prevention safety features described in Health & Safety Code Section 115925. Neither home inspectors nor Buyers and Sellers can agree to waive this requirement if there is a home inspection report but the new law does not obligate Sellers or Buyers to obtain a home inspection report. Real estate professionals are not obligated to and are not qualified to determine if the Property meets current safety requirements.

Although it is important to have appropriate safety measures in place to prevent drowning of small children, this law is not a retrofit requirement that must be completed as a condition of sale. At the time that a single-family residence is altered or improved, the installation of 2 pool/spa safety features must be a condition of final permit approval. Therefore, Sellers and Buyers are advised to determine, prior to contract acceptance, which Party will be responsible for the cost of adding any required pool/spa safety features.

- 36. GARAGE DOOR SAFETY REQUIREMENTS:** Effective July 1, 2019, in addition to existing safety standards regarding automatic reversing device standards, all new automatic garage doors openers sold or installed in California must have a battery-operated back-up system to function during electrical outages.

- 37. REAL PROPERTY TAXES, ASSESSMENT DISTRICTS AND VACANT LAND:** The Purchase Agreement addresses payment of real property taxes and assessments relating to the Property. As part of their negotiations for the Purchase Agreement, the parties may decide how to prorate such taxes and assessments; payments on bonds and assessments and their assumption by Buyers; and payment on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien on the Property.

Some cities have imposed or are contemplating imposing an annual tax on vacant property. Vacant land and developments are subject to imposition of different fees in different jurisdictions, usually based upon the length of time the land is left vacant. Unpaid fees can become a lien on the property. Buyers should determine the extent of any unpaid fees and other restrictions by contacting the relevant city. Real estate brokers and agents are not qualified to make these determinations.

- 38. RENTAL PROPERTY GENERAL ISSUES:** Buyers who intend to use some portion or all of the Property for any type of rental purposes should contact the relevant City or County to ascertain all governmental requirements that may impact the ability to use the Property for rental purposes, including but not limited to any rent control or eviction requirements and/or any special permits, inspections, retrofit or disclosure obligations, prior to removing any inspection contingencies. See, for example, **Paragraphs 27, 29, and 48**. Several homeowner associations (“HOA”) already have or are considering imposing restrictions on new owners who intend to rent out their Property which may differ from rules for existing owners in an effort to limit the percentage of non-owner-occupied units which can impact the ability to obtain financing.

Although state law allows for the construction of secondary housing units, the ability to construct those units and/or to rent those units is subject to local jurisdiction regulations and approvals. If Buyers intend to construct or use secondary units for rental purposes, they should investigate the feasibility of those improvements and uses with appropriate experts during Buyers' investigation contingency period, if any.

When rental properties are offered to the public, the owner and real estate agent must act in compliance with all Fair Housing laws and regulations including, but not limited to, providing unrestricted access to potential tenants with service/companion animals. Landlords are required under Fair Housing laws to provide a "reasonable accommodation" for tenants with disabilities; in the case of tenants with disabilities, this includes allowing the tenant to occupy the rented residence with the service/companion animal. The landlord may not charge a "pet deposit" or otherwise charge the tenant for the service/companion animal in any manner different from a tenant without such an animal. Any property owner renting their property should consult with a California real estate attorney specializing in landlord/tenant and Fair Housing issues for advice on any matters related to Fair Housing and service/companion animals.

HUD has issued guidelines for housing providers, landlords and property managers in the use of criminal records in tenant selection, and when that use may be a Fair Housing violation. While it is still legal to take into consideration a criminal record of a prospective tenant in approving an application, the blanket use of criminal records to refuse to rent can be a Fair Housing violation. And the discrimination does not have to be intentional. The violation can occur if the effect of the use of criminal records results in a "disparate impact" on protected classes. Landlords are urged to consult with a qualified California landlord tenant attorney regarding the use of criminal records in tenant selection. To access the article, go to:

https://portal.hud.gov/hudportal/documents/huddoc?id=HUD_OGCGuidAppFHASandCR.pdf.

- 39. SHORT-TERM AND VACATION RENTALS:** With the increased popularity of short-term and vacation rental services and websites such as Airbnb and VBRO, various local governmental entities and homeowner associations ("HOA") have enacted, or are considering enacting, regulations on the ability of owners to rent out some portion or all of their property on either a short-term or long-term basis. Existing and proposed regulations may include a complete prohibition against certain types of rentals, licensing, permit requirements, special health and safety inspections, taxation and/or restrictions such as a limitation on the number of nights per month, total number of renter occupants, parking requirements and noise restriction. Renting out one's property may also be impacted by subdivision and HOA Covenants, Conditions, and Restrictions ("CC&R's"). In some areas, the HOA and/or governmental entities are classifying short-term and vacation rentals as constituting the running of a business out of a residence which is often prohibited in CC&R's and/or requires approval of a home occupation permit from the local governmental entity.

Neither Sellers nor Brokers can predict if, or when, any jurisdiction or HOA will adopt regulations, limitations or prohibitions on rentals in the future. Buyers who are considering using some portion of or all of their property for short-term or vacation rentals are strongly encouraged to investigate current and pending governmental and/or HOA rules and regulations related to rentals, insurance coverage, and the existence of taxation such as a Transient Occupancy Tax ("TOT") and to review that documentation with a qualified California real estate attorney as well as their own insurance broker prior to the close of escrow.

- 40. PUBLIC SERVICES:** Public services (schools, fire, law enforcement, emergency response, etc.) may have been impacted by financial difficulties which can lead to changes in the level of service. In addition, each school district has its own rules regarding school assignments, and these rules may change at any time with little notice. For these reasons, Brokers cannot represent or guarantee that anyone who resides in any particular property will be able to attend any particular school or school district. If Buyers have any concerns regarding the quality and/or financial viability of public services, Buyers should investigate to their satisfaction prior to removing any applicable contingencies.
- 41. NEW CONSTRUCTION WARRANTIES, DEFECTS AND LAWSUITS:** The Real Estate Transfer Disclosure Statement ("TDS") requires Sellers to disclose if there are any lawsuits by or against the Sellers threatening or affecting the real property along with questions related to construction defects, citing Civil Code Sections 900, 903, 910 and 914. These codes are part of a law that is often referred to as SB800 or Title 7, which generally applies to residential real property built by a "Builder" (as defined in Section 911) and sold for the first time after January 1, 2003. Section 900 provides for a limited one-year warranty from the Builder and Builders may provide "enhanced protection agreements" which may extend the warranty period. Homeowners are required to follow all reasonable maintenance obligations and schedules communicated in writing by the Builder and product manufacturers, as well as commonly accepted maintenance practices. Failure to do so may provide a defense against a homeowner claim and Builders often require specific pre-litigation procedures and remedies in the event of a claim against the Builder. Sellers who have questions about how to answer this TDS question should consult with a California real estate attorney for advice. If the Sellers disclose any lawsuits or claims, Buyers should

investigate such disclosures with a California real estate attorney. Brokers are not qualified to provide advice on these matters.

42. **PRIVATE ROADS:** If the property is assessed or affected by a private road that is shared with one or more other properties, Buyers need to determine the existence of a recorded private road maintenance agreement and compliance with that document. If no such agreement exists, Civil Code Section 845(s) provides that "the cost shall be shared proportionately to the use made of the easement by each owner." Buyers should contact city/county officials and/or their attorney to evaluate their potential responsibilities.
43. **MARIJUANA (CANNABIS):** Effective January 1, 2018, California has legalized certain uses of cannabis; however, this new statewide law requires local cities and counties to enact their own regulations regarding where cannabis can be used as well as the requirements for the issuance of permits and licenses prior to anyone cultivating, distributing and/or selling cannabis. Those regulations may include but are not limited to an inspection of the property and/or a determination as to the availability of water and other resources to grow cannabis. However, there are still federal laws which may make those activities illegal and the federal government's ability to enforce its stricter restrictions in states such as California is still possible.

If Buyers are intending to purchase property that has been used for cultivation, distribution and/or sale of cannabis or if Buyers are intending to purchase property for those same purposes, Buyer should consult with a local, qualified California real estate attorney who has expertise in this area. Cultivation or storage of marijuana may cause damage or alteration to the Property which may not be visibly apparent. Brokers are not qualified to make any determinations regarding these issues.

State law allow landlords to prohibit/regulate smoking of marijuana in or on the Landlord's property as well as to allow landlords to prohibit the cultivation, distribution and sale of marijuana for any purpose. Some HOAs may impose their own restrictions on these activities as well. **Thus, simply because the state has legalized cannabis should not be interpreted as eliminating any local restrictions on the cultivation, distribution, selling and/or use of cannabis.**

D. COUNTY AND CITY ADVISORIES

44. **NOISE FROM TRANSPORTATION SYSTEMS:** There are several airports in and around Alameda County that may create a certain level of noise and have flight patterns that are subject to change. For more information on a particular airport contact:

- Livermore Airport, 636 Terminal Cir., Livermore, CA (925) 960-8220
- 63CN Livermore, CA (925) 606-1536
- Hayward Executive Airport, 20301 Skywest Dr., Hayward, CA (510) 293-8678
- Little Hands Airport, 18320 Bollinger Canyon Rd., San Ramon, CA (415) 837-8981
- Oakland International Airport, 1 Airport Dr., Oakland, CA (510) 563-3300

There are several commuter and freight rail lines (including but not limited to BART) that run through both the incorporated and unincorporated parts of Alameda County. Buyers need to assess for themselves whether or not the level of noise is personally satisfactory during the investigation contingency period.

45. **SAN FRANCISCO BAY REGULATIONS:** The San Francisco Bay Conservation and Development Commission ("BCDC") is charged with the responsibility of restoring Bay wetlands and marshes, preventing wetlands and mudflats from being filled, and supporting the continued and productive use of salt ponds. Properties abutting San Francisco Bay, its tidelands and marshes, may be subject to the jurisdiction of the BCDC which may limit building, and impose other requirements on property owners. Buyers of such property are urged to contact BCDC at (415) 352-3600.
46. **FLOOD BENEFIT ASSESSMENT:** The Alameda County Flood Control and Water Conservation District levies benefit assessments to help finance flood control operations. These assessments are proportionate to the runoff from each parcel of land. The program applies to all of Alameda County with the exception of the Cities of Albany, Berkeley, Alameda, Piedmont, and the Zone 7 area east of the hills (Livermore-Amador Valley). For more information, contact the Assessor's Office: (510) 272-3787.

47. **SPARK ARRESTORS:** As of the date of this Advisory, the cities of Dublin and Pleasanton have enacted ordinances requiring that properties with fireplaces be fitted with spark arrestors at the time of a sale. Dublin also requires that Seller deliver to Buyer a written statement indicating that the Seller is in compliance with the ordinance. (Dublin Ord. 37-87 § 1 (b)) Other cities may also enact such ordinances. For more information on a particular city's requirements, contact the local Building Department or Fire Chief.
48. **RESIDENTIAL RENTAL UNIT FEE:** Various cities and municipalities charge Landlords a "residential Rental Unit Annual Business Tax License Fee and/or Rental Program Fee. The County and/or other cities may enact comparable requirements. The fee may be imposed after escrow closes and the amount or calculation of these fees can change. Please contact the city in which your rental property is located to determine if such fees are charged and for the most current list of such fees since fees are subject to change at any time.
49. **HVAC/DUCTING:** The California Energy Commission issued New Duct Sealing Requirements in 2005. Depending upon certain conditions and the Property location, if a central air conditioner or furnace was installed or replaced after October 1, 2005, the ducts must be tested for leakage. If the ducts leak 15% or more, then repairs must be made to seal the ducts. Additional testing may then be required to verify that the work was done properly. It is strongly recommended that all of this work be done by licensed contractors who should obtain all required permits. Only a contractor who has specialized knowledge regarding HVAC systems can determine whether or not the ducts must be sealed. While portions of Alameda are exempt from this requirement, only a review of the official map of the California Energy Commission can determine whether a particular property is exempt. **See Map for applicable Climate Zones at:**
https://www.energy.ca.gov/maps/renewable/building_climate_zones.html.

50. SEWER LINE INSPECTION AND COMPLIANCE:

NOTE: Private sewer lateral ("PSL") inspection and testing involves only the section from the building to the public sewer main that is usually in the street. Inspections to, and repairs of, PSL's do not cover other sewer lines in or under the property which are not a part of the PSL itself. These areas would need to be the subject of a separate inspection if desired and requested by Buyer. If the property is not serviced by EBMUD, contact the relevant wastewater entity.

a. EAST BAY MUNICIPAL UTILITY DISTRICT ("EBMUD"): The EBMUD Wastewater Control Ordinance requires property owners in certain areas of the EBMUD wastewater service area to obtain a compliance certificate that shows their PSL's are without defects and have proper connections. The ordinance specifies three conditions which require property owners to test and, if needed, repair or replace their private sewer laterals: (1) prior to selling the property; or (2) when obtaining any permit for the construction or modification of the property estimated to be greater than \$100,000; or (3) when increasing or decreasing the water meter size.

A property is exempt if the PSL is less than 10 years old and was fully replaced before August 2011, and the owner provides evidence of the replacement work and date performed.

Responsibility for repairs can be negotiated between Buyer and Seller. If repairs cannot be completed prior to Close of Escrow, a property owner may apply to EBMUD for a 180-day Temporary Waiver and pay a fee.

Vacant Land: For Vacant land within EBMUD with NO sewer lateral, the Buyer or Seller must still file for an exemption certificate. However, for vacant land that HAS an old sewer lateral (such as a fire lot in the Oakland Hills):

- i. At point of sale, Buyer would need to file for the 180-day compliance extension.
- ii. Buyer would then need to make the decision as to how soon they will be building on the property.
- iii. If building immediately, compliance may be delayed as part of the building and permit process.
- iv. If not building immediately, Buyer would need to abandon or disconnect the sewer lateral from the main and obtain a certificate of abandonment from EBMUD.

For detailed and current information on a Property's compliance status, and the inspection, repair, temporary waiver and/or certification process, Sellers and Buyers are urged to go to the EBMUD/PSL site or contact the local municipality that controls the Private Sewer Lateral ordinance for the Property. Most municipalities that control the Sewer Lateral ordinance follow the guidelines set by EBMUD. For more

information on the inspection, repair, temporary waiver and/or certification process, contact EBMUD or view the information online at <http://www.eastbaypsl.com/eastbaypsl/>.

b. CONDOMINIUMS AND CID'S DEFERRED: (For Cities such as Alameda, Albany, El Cerrito, Emeryville, Kensington, Oakland, Piedmont, Richmond Annex and possibly others) Condominiums and other Common Interest Developments with a Homeowners' Association ("HOA") are generally excluded from bringing s PSLs into compliance, whether individual or shared laterals, until July 12, 2021 BUT ONLY if the HOA is legally responsible for maintaining the Sewer Laterals. There are several exceptions to this rule:

- Any Common Interest Development without an HOA does NOT have a deferral for Sewer Lateral compliance.
- If the Homeowner is legally responsible for maintaining the Sewer Lateral, compliance is NOT deferred.
- If the Homeowner is responsible for the Sewer Lateral associated with their unit and the HOA is responsible for any shared laterals, there may be NO deferral for the Sewer lateral associated with the individual unit.

Prospective Buyers should contact the HOA directly to determine responsibility for the Sewer Laterals, whether the appropriate Notice of Responsibility has been filed with EBMUD for each unit sold, and whether adequate reserves are available to make any necessary repairs.

- 51. REAL ESTATE DEVELOPER AND REHABILITATION OF REAL ESTATE:** Every person in Alameda County engaged in the business of developing or rehabilitating and selling real property in which said person has equity, interest or title, and not specifically taxed by Section 3.04.350 or other provisions of this chapter, shall pay a business tax which is calculated based upon permit value used for building permits within the unincorporated areas of the county. These taxes are subject to change at any time. For more information, visit: [Real Estate Rehabilitation Ordinance](#).
- 52. SIDEWALK REPAIR PROGRAM:** This program currently only applies to single-family residential units in the following communities within County Planning Area 2: Ashland, Castro Valley/Fairmont, Cherryland, Unincorporated Hayward/Fairview, and San Lorenzo/Royal Sunset. Funded through Measure B, this program currently reimburses 50% of the sidewalk repair cost per property (up to a maximum of \$750) for sidewalk-related repairs to the frontage of a single-family dwelling Homeowners residing in San Lorenzo may be eligible for additional assistance through Redevelopment funds, however the costs are subject to change at any time. For more information contact the Public Works Agency: (510) 670-5500.
- 53. ALAMEDA CITY ORDINANCES AND DISCLOSURES:**
- a. SECONDHAND SMOKE ORDINANCE:** The City of Alameda limits exposure to secondhand smoke in places of employment, public places and multi-unit housing (defined as two or more units). Smoking is prohibited inside the units of all rental and common interest complexes (condos, co-ops, PUDs). Additional information is available from the City of Alameda at (510) 747-4700 or online at: <https://www.alamedaca.gov/RESIDENTS/Secondhand-Smoke-Ordinance>.
- b. BUILDINGS CONSTRUCTED PRIOR TO 1942 AND/OR DESIGNATED HISTORICAL SITES:** Any Property constructed prior to 1942, as determined by City of Alameda records, may not be demolished or removed without the approval of the Historical Advisory Board. Further, some properties have been deemed to have historical merit and have been placed on the Historical Building Study List. Restrictions on modifications or repairs to these properties can apply. For more information, contact City of Alameda Community Development Department at (510) 747-6850, or Buyers may consult with a property historian.
- c. SOFT STORY ORDINANCE:** Multi-unit residential apartment and condominium buildings with five (5) or more residential units, containing a soft, weak, or open front ground floor, may be designated as potentially hazardous in the event of an earthquake. The City of Alameda has identified and maintains a list of such properties. Buyers should contact the City of Alameda Community Development Department to determine if the property is on the Soft Story list and what further action is required. For more information contact the City of Alameda Community Development Department at (510) 747-6850. It is recommended that Buyers investigate the status of permitting and zoning with the City of Alameda Community Development Department, (510) 747-6850.

d. BAY FARM ISLAND RECLAMATION DISTRICT: Homes located in Harbor Bay Isle may have fees assessed by the City of Alameda for maintenance. For more information, contact City of Alameda Community Development Department at (510) 747-6850.

e. LEASED LAND: Some properties located on the water are owned by the City of Alameda and leased to the owners. The property owners do not have ownership rights to this property. Buyer is advised to review the title report to confirm whether any land is leased and contact the City of Alameda, Economic Development Division at (510) 747-6890.

f. ALAMEDA POINT AND PROXIMITY TO FORMER AND CURRENT MILITARY ORDNANCE LOCATIONS: Alameda Point and Coast Guard Facility at Coast Guard Island have been, or are currently, military ordnance locations (military training grounds which may contain explosives and/or hazardous wastes). For more information, contact the City of Alameda (510) 747-4700 or the United States Coast Guard at Coast Guard Island Administration at (510) 437-5371.

g. INDUSTRIAL ZONE: Most Alameda Property is located within one mile of an industrial zone. Such zones may create nuisances including, but not limited to, noise, debris and dust. Buyers are encouraged to investigate the neighborhood where the property is located. For more information, contact the City of Alameda Community Development Department at (510) 747-6850.

h. GAS SHUTOFF VALVES: The City of Alameda requires all buildings that have natural gas service shall have an automatic gas shutoff valve installed if either of the following situations exists: (a) the Property is being sold **OR** (b) The homeowner has been issued a permit for gas piping. For more information, contact City of Alameda Community Development Department at (510) 747-6850.

i. SCHOOLS: To determine the location of the public school a student maybe attending, contact the administrative offices of the Alameda Unified School District (510) 337-7000.

j. PARKING ADVISORY: Parking of vehicles both on and off street is governed by city code and/or homeowner's association rules and regulations. Parking could be restricted. Buyers should thoroughly review all documents related to parking. For more information contact the City of Alameda Community Development Department at (510)747-6850 and if applicable, the appropriate HOA.

k. BEDROOM DEFINITIONS: The number of bedrooms a property contains is subject to different and occasionally contradictory definitions. County tax records often indicate the number of bedrooms recorded in the county's tax assessor's office. Owners and residents of a property may describe a room as a bedroom according to how the room is used or could be used. While there is no statewide definition of a bedroom, California Building Code provides requirements for "Sleeping Rooms." Discrepancies in bedrooms could be a result of work performed by an owner without permits. Further, the City of Alameda's Community Development Department follows the California Building Code requirements. Buyers are advised to consult with the City of Alameda Community Development Department at (510)747-6850.

l. PRIVATE SEWER LATERAL: In 1988 the Alameda Sewer Lateral Ordinance was adopted by the City of Alameda. The City of Alameda considers sewer laterals replaced between 1988 and July of 2012 as valid for 25 years. Sewer lateral tests during this period were valid for 7 years. After July 2012, The City of Alameda considers a sewer lateral replacement valid for 20 years and a test valid for 7 years. Effective January 1, 2015, properties in Alameda are subject to the EBMUD Regional Private Sewer Lateral Program. Information about how properties in Alameda County can comply with the Program is available at www.EastBayPSL.com and at www.AlamedaCA.gov.

54. BERKELEY REGULATIONS:

a. BERKELEY SIDEWALK REPAIR PROGRAM: Since October 2011, the City of Berkeley splits the cost of sidewalk repair with homeowners 50/50 regardless of the cause of deterioration. Property owners are responsible for the full amount of repair if the sidewalk was damaged due to (i) intentional acts of property owner; (ii) property owner replaces the sidewalk independent of the City's Sidewalk Repair Program; or (iii) the sidewalk is the result of a new development or redevelopment project. To determine if any sidewalk in Berkeley requires repair, the general rule is that any breaks of more than $\frac{3}{4}$ of an inch should be reported. For more information on the City of Berkeley's Sidewalk Repair Program go to: https://www.cityofberkeley.info/Public_Works/Sidewalks-Streets-Utility/Sidewalk_Program.aspx.

b. BERKELEY BUILDING ENERGY SAVING ORDINANCE (BESO): BESO requires building owners and homeowners to complete comprehensive energy assessments to uncover energy saving opportunities. These assessments are conducted by registered energy assessors who provide detailed recommendations on how to save energy and link building owners to incentives for energy efficiency upgrade projects. **Unless exempt, BESO is required prior to sale of a house or whole building.**

Exemptions Include: Buildings 600 square feet, or less than 25,000 square feet and individually sold units within a larger building, such as an attached condominium. For details on how to comply with BESO, see the **Berkeley Purchase Agreement Addendum**.

55. LIVERMORE REGULATIONS: A Report of Residential Building Records is required to be delivered to the buyer prior to the close of escrow. For more information, go to: <http://www.cityoflivermore.net/civicax/filebank/documents/6177/>.

56. MEADOW BROOK VILLAGE ASSOCIATION: The City of Fremont has issued a Notice and Order to Abate Nuisance with respect to the Meadow Brook Village Common Interest Development ("CID"). The City of Fremont has identified several categories of code enforcement issues that may raise fire, life and safety concerns with the structural components of the structures and individual units within that CID. The Meadow Brook Village Homeowners Association ("HOA") has identified additional issues with respect to underfunded reserve accounts, deferred maintenance of structures, equipment and services that are located within the common area; the HOA has imposed an Emergency Assessment Payment on all units and additional assessments may be imposed in the future.

Buyers are strongly encouraged to review all documents maintained by the City of Fremont regarding this CID and to carefully review all documentation maintained by the HOA regarding these issues. Additional documentation regarding past, current and future problems as well as the potential repairs and remedies, cost estimates and other documentation may be in the possession of the HOA Board of Directors, the Developer, construction personnel and/or attorneys retained by the various parties involved in the development, construction and/or repair of the CID. Brokers have not and cannot investigate any or all off-site sources of potentially critical information. Brokers have not and will not verify the information in any documents provided to Buyers by anyone including but not limited to the Seller, the City of Fremont and/or by the HOA or its Board of Directors. Buyers should consider retaining their own construction and engineering experts to evaluate the CID and any unit in the CID as part of their investigation contingency, if any. Buyers who have any questions regarding the legal duties, rights and obligations of anyone who is or who may be involved in the issues described in **Paragraph 55** should consult with their own qualified California real estate attorney.

57. OAKLAND REGULATIONS: The City of Oakland has enacted hundreds of regulations, some of which relate to property ownership. Oakland's regulations, taxes and fees may or may not apply to your particular Property; nonetheless, Buyers should review the City's complete list of ordinances as part of their investigation contingency, if any. A complete list of Oakland's ordinances, codes and regulations can be viewed at the City's website at: <https://www.oaklandca.gov/>; or by contacting Oakland's Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st Floor, Oakland, CA 94612, (510) 238-3611, between 8:30 a.m. – 5:00 p.m., Monday through Friday.

58. PIEDMONT CITY ORDINANCES:

a. OPEN PERMITS AND NON-PERMITTED CONSTRUCTION: The City of Piedmont maintains a “House File” for every Piedmont residence. While the City does not verify or guarantee the accuracy of the information contained in their files, Buyers of any Piedmont residence are encouraged to review the entire file during the Buyers’ investigation contingency period, if any, to determine what existing work on the Property was done with or without permits and whether the permits are still “open.” To review the House File and/or request a Permit History, Buyers should go to the Department of Public Works, 120 Vista Avenue, Piedmont. Further information can be obtained by contacting the Piedmont Department of Public Works at (510) 420-3050. No New Permits will be issued for construction, repair or remodeling on the property if any historical permits are still open. For general information about permits and non-permitted construction see **Paragraphs 27 and 28** above.

NOTE: Any Non-Permitted work at any time in the history of the property, and discovered by a City Official, likely will result in a Demand for Compliance by the Public Works Department **regardless of when the Non-Permitted work was completed. The City Council can impose fines of up to \$1,000 per day up to a total fine of \$100,000 until the Property is brought into compliance. Buyers are encouraged to independently determine if there is any unapproved construction. Buyers should also investigate the availability of a retroactive permit compliance process. To determine if there is any unapproved construction, review the house file and request a permit history.**

b. SIDEWALK INSPECTION ORDINANCE: A City inspection of the condition of the sidewalk is triggered by a permit application, or an aggregate of permit applications in any year of \$5,000 or more, or upon sale of real property. If the sidewalks for a property are deemed in need of repair, the homeowner has two choices:

- i. Hire a C-8 contractor licensed to work within the City of Piedmont or
- ii. Pay the City on a per square foot basis to have a City Contractor repair the damaged sidewalk.

Failure to comply with this ordinance would result in the City of Piedmont performing repairs, billing the current homeowner, and placing a lien against the property.

E. SOURCES OF GENERAL INFORMATION:

CITY OF ALAMEDA: <https://www.AlamedaCA.gov>
2263 Santa Clara Ave, Room 380 Alameda, CA 94501 Tel: 510/747-4800
Alameda Rent Stabilization: <http://www.alamedarentprogram.org/ordinance-3148-overview>
Police <https://alamedaca.gov/police> Tel: 510/337-8340

CITY OF ALBANY: <https://www.albanyc.org/>
1000 San Pablo Ave, Albany CA 94706 Tel: 510/528-5710
Police <https://www.albanyc.org/departments/police-department> Tel: 510/525-7300

CITY OF BERKELEY: <https://www.cityofberkeley.info>
2120 Milvia Street, Berkeley CA 94704 Tel: 510/981-7440
BERKELEY RENT CONTROL: <https://www.cityofberkeley.info/rent/>
2125 Milvia Street, Berkeley, CA 94704 Tel: 510/644-6128
BESO: <https://www.cityofberkeley.info/beso/>
Police <https://www.cityofberkeley.info/police/> Tel: 510/981-5900

CITY OF EMERYVILLE: <http://www.ci.emeryville.ca.us/>
1333 Park Ave, Emeryville CA 94608 Tel: 510/596-4300
Police <http://www.ci.emeryville.ca.us/123/Police>

CITY OF OAKLAND: <https://www.oaklandca.gov/> Tel: 510/596-3700
250 Frank Ogawa Plaza, Ste 5313, Oakland CA 94612 Tel: 510/238-3501
OAKLAND RENT CONTROL: <https://www.oaklandca.gov/topics/rent-adjustment-program>
250 Frank H. Ogawa Plaza, 5th Floor, Oakland CA 94612 Tel: 510/238-3721
Police <https://www.oaklandca.gov/departments/police> Tel: 510/777-3333

CITY OF PIEDMONT: <http://www.ci.piedmont.ca.us/>
 120 Vista Avenue, Piedmont, CA 94611 Tel: 510/420-3040
Police <http://www.ci.piedmont.ca.us/police/index.shtml> Tel: 510/420-3000

CITY OF SAN LEANDRO: <http://www.sanleandro.org>
 835 East 14th Street, San Leandro, CA 94577 Tel: 510/577-3200

CASTRO VALLEY SANITARY DISTRICT: <http://www.cvsan.org/PSL>
 21040 Marshall Street, Castro Valley, CA 94546 Tel: 510/537-0757

STEGE SANITARY DISTRICT: <https://www.stegesan.org/>
 7500 Schmidt Lane, El Cerrito CA 94530 Tel: 510/524-4668

WEST COUNTY WASTE WATER DISTRICT: <https://www.wcwg.org/>
 2910 Hilltop Drive, Richmond, CA 94806 Tel: 510/222-6700

Other areas in Alameda and Alameda counties: <http://www.co.contra-costa.ca.us/> or
<http://www.co.alameda.ca.us/>. See office addresses on website.

F. ATTORNEY AND ACCOUNTANT RECOMMENDATIONS:

In addition to the professional service providers Buyers will retain to inspect and analyze the property being purchased or sold, a situation may arise during the course of Buyers' purchase transaction that requires Buyers to either make an important decision or select a plan of action that could result in significant legal consequences and substantial impact on Buyers' personal finances. The most prudent and best plan is to identify a certified public accountant and real estate attorney in advance of the sale or purchase of the property so that Buyers and Sellers can quickly contact and seek the proper financial and/or legal advice and guidance if needed during the transaction. If a 1031 exchange is contemplated, also contact an exchange accommodator to discuss the proper method and timing of the exchange.

G. THE PARTIES ACKNOWLEDGE THE FOLLOWING REGARDING BROKER:

- Broker does not warrant or guarantee the condition of the Property.
- Broker shall not be responsible for failure to disclose to Buyer facts regarding the condition of the property where the condition (i) is unknown to Broker or (ii) is not capable of being seen by Broker because it is in an area of the property that is reasonably and normally inaccessible to a Broker;
- **Broker has not verified square footage, size of structures, acreage or boundary lines of the property; representations made by others; information received from public records, Seller or other third parties; information contained in inspection reports or in the Multiple Listing Service, or that has been copied therefrom; or statements in advertisements, flyers or other promotional material; or any other matters described in this Disclosures and Disclaimers Advisory; unless otherwise agreed in writing;**
- Broker does not guarantee, and shall not be responsible for, the labor or services or products provided by others to or on behalf of Buyers or Seller and does not guarantee, and shall not be responsible for, the quality, adequacy, completeness or code compliance of repairs made by Seller or by others;
- Broker does not decide what price Buyers should pay or Sellers should accept;
- Brokers are not qualified to give legal, tax, insurance or title advice;
- Brokers lack professional expertise in the areas listed above, and do not verify the results of any inspections or guarantee the performance or reports of any inspection or professional services; and
- **Buyers and Sellers are advised to investigate and choose their own service providers to conduct investigations and advise them on these and all matters related to the sale and purchase of real property. In these and all other matters referred to in this Disclosures and Disclaimers Advisory,**

- **Buyers and Sellers are advised to seek any desired assistance from appropriate qualified professionals. Nothing any real estate licensee may say will change the terms or effect of this Advisory.**

WIRE FRAUD SCAM ALERT

Recently there is a small but growing scheme in which Buyers and Sellers have received e-mails from their agent or an escrow company providing wire transfer information for money from Buyer to Escrow, or to Seller for proceeds from Escrow. Hackers intercept these e-mails and then alter the wire transfer instructions to re-direct the funds to the hacker's account with an off-shore bank.

DO NOT EVER WIRE FUNDS PRIOR TO CALLING THE ESCROW OFFICER AT THE NUMBER PREVIOUSLY PROVIDED TO YOU and confirming verbal wire transfer instructions before taking steps to have the funds transferred. If you have received questionable wiring instructions, notify your bank, real estate agent and the Escrow holder, as well as the FBI at <https://www.fbi.gov/> and the Internet Crime Complaint Center at <https://www.ic3.gov/>.

THE UNDERSIGNED ACKNOWLEDGE RECEIPT OF ALL 21 PAGES OF THIS ALAMEDA COUNTY DISCLOSURES AND DISCLAIMERS ADVISORY WHICH CAN BE SIGNED IN COUNTERPART

Dated: _____ Buyer _____

Dated: _____ Buyer _____

Dated: 7/16/2019 DocuSigned by: Kevin Bai Seller _____

Dated: 7/16/2019 Julia X. Song Seller _____

OAKLAND PURCHASE AGREEMENT ADDENDUM

A Service of the Oakland/Berkeley Association of REALTORS®. This form is intended for use with the California Association of REALTORS® forms RPA "Residential Purchase Agreement" and/or RIPA "Residential Income Purchase Agreement". This form is a product of the Oakland/Berkeley Association of REALTORS®. The terms of the California Association of REALTORS® User Protection Agreement do not apply to this form

This Addendum is intended for use in the City of Oakland. Please also review the separate Alameda County or city specific Ordinances and Regulations for property in the area you are either selling or buying. Disclosure documents and forms may contain references, including web site addresses and internet links (hyper-links), to additional important material that is not printed on the document itself. Buyers and Sellers should investigate those links if they are not entirely satisfied with the document as it is presented to them.

The information in this Addendum has been compiled by the Oakland/Berkeley Association of REALTORS® as a service to its members and is effective as of October 2016. This Addendum is not intended to be nor should it be considered to be an accurate reflection of all of the legal requirements that may be imposed by the governmental and quasi-governmental entities referenced in this Addendum either as of the date the document was created or at any time thereafter. Real Estate Brokers and their Sales Associates do not have the requisite training or skills to determine the legal sufficiency of this Addendum or the legal requirements that may be imposed upon the Property. If Seller or Buyer has any questions or concerns regarding their legal rights and obligations then they should consult with their own qualified California real estate attorney.

This is an Addendum to that Purchase Agreement dated _____ by and between Kevin Tsai, Julia Song _____ (Seller) and _____ (Buyer)

for that Property commonly known as 2836 Carmel St _____, Oakland _____, CA.

Except as specified herein, all other terms and conditions remain unchanged.

CITY OF OAKLAND

PRIVATE SEWER LATERAL COMPLIANCE: The East Bay Municipal Utility District ("EBMUD") Wastewater Control Ordinance requires property owners in certain areas of the EBMUD wastewater service area to obtain a compliance certificate that shows their private sewer laterals ("PSL's") are without defects and have proper connections. The ordinance requires property owners to test and, if needed, repair or replace their private sewer laterals when selling their property. (For further details, see the East Bay Disclosure and Disclaimers Advisory) (Check A, B or C)

A. [] PROPERTY EXEMPT: Seller states that the property is EXEMPT because PSL on an affected property is less than 10 years old or was fully replaced before August, 2011 and has provided EBMUD evidence of the replacement work and date performed.

B. [X] PROPERTY NOT EXEMPT: the following party shall be responsible for compliance. (Check One)

1. [X] IN COMPLIANCE: Seller will provide Buyer with a Certificate of Compliance, prior to the close of escrow.

2. **COMPLIANCE BY CLOSE OF ESCROW:** Seller shall complete all required inspections and required repairs, and provide Buyer with a Certificate of Compliance, prior to the close of escrow.

3. **COMPLIANCE AFTER THE CLOSE OF ESCROW:** If compliance is to take place after the close of escrow, then check either Seller or Buyer in each of the four paragraphs below:

A. Seller Buyer (*check one*) agrees to be responsible for obtaining the Certificate of Compliance within 180 days of the Close of Escrow.

B. Seller Buyer (*check one*) shall be responsible to pay the required EBMUD fee for this extension. The responsible party agrees promptly upon Acceptance of the Purchase Agreement to apply to EBMUD for a Time Extension Certificate, which shall be delivered to escrow prior to Close of Escrow.

C. Seller Buyer (*check one*) shall be responsible to post the deposit into escrow as is required by EBMUD for any Time Extension for compliance after close of escrow. Note: If the Certificate of Completion is not obtained within 180 days of the Close of Escrow, this deposit may be subject to forfeit and the property owner may be subject to enforcement action by EBMUD. Fee as of this date is \$4,500, but is subject to change by EBMUD at any time.

D. Seller Buyer (*check one*) to receive refund of the deposit once Certificate of Compliance is obtained.

C. **PROPERTY DEFERRED:** Condominiums are also required to comply with the private sewer lateral program. However, homeowners associations for multi-unit structures served by a single lateral or shared laterals have until July 2021 to comply. EBMUD recommends that you contact your homeowners association directly to determine responsibility for the sewer lateral, whether the appropriate Notice of Responsibility has been filed with EBMUD for each unit sold, and whether adequate reserves are available to make any necessary repairs.

For more information go to <http://www.eastbaypsl.com/eastbaypsl/extension.html>

Other ordinances: Jurisdictions have ordinances that may affect the use, value or enjoyment of your property. You are advised to visit the appropriate website or offices of the appropriate jurisdiction to determine whether the subject property is in an area regulated by such ordinances.

SOURCES OF INFORMATION:

City of Oakland: <http://www.oaklandnet.com/>

250 Frank Ogawa Plaza, Ste 5313, Oakland CA 94612 Tel: 510/238-3501

Oakland Rent Control: <http://www.oaklandnet.com/government/hcd/rentboard/index.html>

250 Frank H. Ogawa Plaza, 5th Floor, Oakland CA 94612 Tel: 510/238. 3721

Police <http://www.oaklandpolice.com/> Tel: 510/777-3333

Other areas in Alameda and Contra Costa counties: <http://www.co.contra-costa.ca.us/> or <http://www.co.alameda.ca.us/>.

See office addresses on website.

East Bay Municipal Utility District (EBMUD): <http://www.ebmud.com>

Alameda County, California - CITY OF OAKLAND

Revised 10/2016

THE UNDERSIGNED ACKNOWLEDGE RECEIPT OF ALL THREE (3) PAGES OF THIS DOCUMENT.

This document may be signed in counterparts.

Buyer

Dated: _____

Buyer

Dated: _____

DocuSigned by:
Kevin Tsai

Seller *Kevin Tsai*
00A5E1F06D2B5427...

Dated: 7/16/2019

DocuSigned by:
Julia X. Song

Seller *Julia Song*
044787A2B00D40F...

Dated: 7/16/2019



MARKET CONDITIONS ADVISORY
(C.A.R. Form MCA, Revised 11/11)

1. MARKET CONDITIONS: Real estate markets are cyclical and can change over time. It is impossible to predict future market conditions with accuracy. In a competitive or "hot" real estate market, there are generally more Buyers than Sellers. This will often lead to multiple buyers competing for the same property. As a result, in order to make their offers more attractive, some Buyers may offer more than originally planned or eliminate certain contingencies in their offers. In a less competitive or "cool" market there are generally more Sellers than Buyers, often causing real estate prices to level off or drop, sometimes precipitously. The sales price of homes being sold as foreclosures and short sales is difficult to anticipate and can affect the value of other homes in the area. Brokers, appraisers, Sellers and Buyers take these "distressed" property sales and listings into consideration when valuing property. In light of the real estate market's cyclical nature it is important that Buyers understand the potential for little or no appreciation in value, or an actual loss in value, of the property they purchase. This Advisory discusses some of the potential risks inherent in changing market conditions.

2. BUYER CONSIDERATIONS:

A. OFFERING PRICE: AS A BUYER, YOU ARE RESPONSIBLE FOR DETERMINING THE PRICE YOU WANT TO OFFER FOR A PROPERTY. Although Brokers may provide you with comparable sales data, generally from information published in the local multiple listing service, you should know that the reporting of this data is often delayed and prices may change, up or down, faster than reported sales indicate. All buyers should be sure they are comfortable with the price they are offering or the price they are accepting in a counter offer. You should be aware of and think about the following: **(i)** If your offer is accepted, the property's value may not increase and may even decrease. **(ii)** If your offer is accepted, you may have "Buyer's remorse" that you paid too much. **(iii)** If your offer is rejected there can be no guarantee that you will find a similar property at the same price. **(iv)** If your offer is rejected, you may not be satisfied that the amount you offered was right for you. Only you can determine that your offer was reasonable and prudent in light of the property and your circumstances.

B. NON-CONTINGENT OFFERS: Most residential purchase agreements contain contingencies allowing a Buyer within a specified period of time to cancel a purchase if: **(i)** the Buyer cannot obtain a loan; **(ii)** is dissatisfied with the property's condition after an inspection; or **(iii)** if the property does not appraise at a certain value. To make their offers more attractive, Buyers will sometimes write offers with few or no contingencies or offer to remove contingencies within a short period of time. In a "hot" market, sellers will sometimes insist that Buyers write offers with no contingencies. Broker recommends that Buyers do not write non-contingent offers and if you do so, you are acting against Broker's advice. However, if you do write a non-contingent offer these are some of the contractual rights you may be giving up:

(1) LOAN CONTINGENCY: If you give up your loan contingency, and you cannot obtain a loan, whether through your fault or the fault of your lender, and as a result, you do not or cannot purchase the property, you may legally be in default under the contract and required to pay damages or forfeit your deposit to the seller.

(2) APPRAISAL CONTINGENCY: If your lender's (or your own) appraiser does not believe the property is worth what you have agreed to pay for it, your lender may not loan the full amount needed for the purchase or may not loan any amount at all because of a low appraisal. As a result, if you do not purchase the property, and you have removed your appraisal contingency, you may legally be in default under the contract and could be required to pay damages to, or forfeit your deposit to, the Seller. The Seller is not obligated to reduce the purchase price to match the appraised value.

Buyer's Initials (_____) (_____)

Seller's Initials (JXS) (kt)



Property Address: 2836 Carmel St, Oakland, CA 94602-3409

Date: _____

(3) INSPECTION CONTINGENCY: If you disapprove of the condition of the property and as a result, you do not purchase the property, you may legally be in default under the contract and required to pay damages to, or forfeit your deposit to, the Seller if you have removed your inspection contingency. However, even if you make an offer without an inspection contingency or you remove that contingency, the Seller may still be obligated to disclose to you material facts about the property. In some cases, once you receive that information the law gives you an independent right to cancel for a limited period of time.

There is inherent risk in writing a non-contingent offer. Only you, after careful consultation and deliberation with your attorney, accountant, or financial advisor can decide how much risk you are willing to take. IT IS YOUR DECISION ALONE AND CANNOT BE MADE BY YOUR BROKER OR REAL ESTATE AGENT.

C. BROKER RECOMMENDATIONS. Broker recommends that you do not write a non-contingent offer, even if you are planning on paying all cash for the property. If you intend to write a non-contingent offer, Broker recommends that, prior to writing the offer, you: **(i)** review all available Seller reports, disclosures, information and documents; **(ii)** have an appropriate professional inspect the property (even if it is being sold "as is" in its present condition); and **(iii)** carefully assess your financial position and risk with your attorney, accountant or financial advisor.

D. MULTIPLE OFFERS: At times Buyers may write offers on more than one property even though the Buyer intends to purchase only one. This may occur in a short sale when the approval process can take a considerable amount of time. While it is not illegal to make offers on multiple properties with intent to purchase only one, the Buyer can be obligated to many Sellers if more than one accepts the Buyer's offers. If the Buyer has not disclosed that the Buyer is writing multiple offers with the intent to purchase only one and the Buyer subsequently cancels without using a contingency, the Seller may claim the Buyer is in breach of contract because the Buyer fraudulently induced the Seller to enter into a contract.

3. SELLER CONSIDERATIONS:

As a Seller, you are responsible for determining the asking price for your property. Although Brokers may provide you with comparable sales data, generally from information published in the local multiple listing service, you should know that the reporting of this data is often delayed and prices may change, up or down, faster than reported sales indicate. All Sellers should be sure they are comfortable with the asking price they are setting and the price they are accepting. There is not, and cannot be, any guarantee that the price you decide to ask for your property, or the price at which you agree to sell your property is the highest available price obtainable for the property. It is solely your decision as to how much to ask for your property and at which price to sell your property.

Buyer/Seller acknowledges each has read, understands and has received a copy of this Market Conditions Advisory.

Buyer _____ Date _____

Buyer _____ Date _____

Seller Kevin Tsai DocuSigned by: _____ Date 7/16/2019
#0ABEF06D2B5427...

Seller Julia X Song DocuSigned by: _____ Date 7/16/2019
#64B7A2BC8040F...
Julia Song

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BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA, Revised 11/14)

Property Address **2836 Carmel St, Oakland, CA 94602-3409**

1. IMPORTANCE OF PROPERTY INVESTIGATION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.

2. BROKER OBLIGATIONS: Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as those listed below. If Broker gives you referrals to professionals, Broker does not guarantee their performance.

3. YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE FOLLOWING. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.

- A. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and nonstructural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.
- B. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.
- C. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms.
- D. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.
- E. WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
- F. ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).
- G. EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.
- H. FIRE, HAZARD AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies.
- I. BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size.
- J. RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.
- K. SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.
- L. NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, law enforcement, crime statistics, registered felons or offenders, fire protection, other government services, availability, adequacy and cost of internet connections or other technology services and installations, commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

By signing below, Buyers acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyers are encouraged to read it carefully.

Buyer _____

Buyer _____

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BIA REVISED 11/14 (PAGE 1 OF 1)

BUYER'S INSPECTION ADVISORY (BIA PAGE 1 OF 1)





**FOR YOUR PROTECTION: GET A HOME INSPECTION
Required For FHA Transactions
(C.A.R. Form HID, Revised 4/08)**

Name of Buyer(s) _____
Property Address 2836 Carmel St
Oakland, CA 94602-3409

WHY A BUYER NEEDS A HOME INSPECTION

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- Evaluate the physical condition: structure, construction, and mechanical systems
- Identify items that need to be repaired or replaced
- Estimate the remaining useful life of the major systems, equipment, structure, and finishes

APPRAISALS ARE DIFFERENT FROM HOME INSPECTIONS

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:

- Estimate the market value of a house
- Make sure that the house meets FHA minimum property standards/requirements
- Make sure that the property is marketable

FHA DOES NOT GUARANTEE THE VALUE OR CONDITION OF YOUR POTENTIAL NEW HOME

If you find problems with your new home after closing, FHA cannot give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

RADON GAS TESTING

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

BE AN INFORMED BUYER

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.

I/we understand the importance of getting an independent home inspection. I/we have considered this before signing a contract with the seller for a home. Furthermore, I/we have carefully read this notice and fully understand that FHA will not perform a home inspection nor guarantee the price or condition of the property.

- I /We choose to have a home inspection performed.
- I /We choose not to have a home inspection performed.

Buyer _____ Date _____

Buyer _____ Date _____

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HID REVISED 4/08 (PAGE 1 OF 1)

FOR YOUR PROTECTION: GET A HOME INSPECTION (HID PAGE 1 OF 1)





STATEWIDE BUYER AND SELLER ADVISORY
(This Form Does Not Replace Local Condition Disclosures.
Additional Advisories or Disclosures May Be Attached)
 (C.A.R. Form SBSA, Revised 6/18)

BUYER RIGHTS AND DUTIES:

- The physical condition of the land and improvements being purchased are not guaranteed by Seller or Brokers.
- You should conduct thorough investigations of the Property both personally and with appropriate professionals.
- If professionals recommend further inspections, you should contact qualified experts to conduct such inspections.
- You should retain your own professional even if Seller or Broker has provided you with existing reports.
- You should read all written reports given to you and discuss those reports with the persons who prepared them. It is possible that different reports provided to you contain conflicting information. If there are discrepancies between reports, disclosures or other information, you are responsible for contacting appropriate professionals to confirm the accuracy of correctness of the reports, disclosures or information.
- You have the right to request that the Seller make repairs or corrections or take other actions based on inspections or disclosures, but the Seller is not obligated to respond to you or make any such repairs, corrections or other requested actions.
- If the Seller is unwilling or unable to satisfy your requests, and you act within certain time periods, you may have the right to cancel the Agreement (the Purchase Agreement and any Counter Offer and Addenda together are the "Agreement"). If you cancel outside of these periods, you may be in breach of the Agreement and your deposit might be at risk.
- You are advised to seek legal, tax, and other assistance from appropriate professionals in order to fully understand the implications of any documents or actions during the transaction. If you are doing a 1031 exchange, you are advised to contact an exchange accommodator to discuss the proper method and timing of the exchange.
- The terms of the Agreement and any counter offers and addenda establish your rights and responsibilities.
YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.

SELLER RIGHTS AND DUTIES:

- You have a duty to disclose material facts known to you that affect the value or desirability of the Property.
- You are obligated to make the Property available to the Buyer and have utilities on for inspections as allowed by the Agreement.
- This form is not a substitute for completing a Real Estate Transfer Disclosure Statement, if required, and any other property-specific questionnaires or disclosures.
- The terms of the Agreement establish your rights and responsibilities.
- You are advised to seek legal, tax, and other assistance from appropriate professionals in order to fully understand the implications of any documents or actions during the transaction. If you are doing a 1031 exchange, you are advised to contact an exchange accommodator to discuss the proper method and timing of the exchange.

BROKER RIGHTS AND DUTIES:

- Brokers do not have expertise in all areas and matters affecting the Property or your evaluation of it.
- For most sales of residential properties with no more than four units, Brokers have a duty to make a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose to you material facts or defects that the inspection reveals.
- Many defects and conditions may not be discoverable by a Broker's visual inspection.
- If Brokers give a referral to another professional, Brokers do not guarantee that person's performance. You may select any professional of your own choosing.
- If a Broker gives you reports or other documents, unless otherwise specified, it is possible that different reports provided to you contain conflicting information. Broker has not and will not verify or otherwise investigate the information contained therein.
- Any written agreement between a Broker and either Buyer or Seller or both establishes the rights and responsibilities of those parties.



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A. Investigation of Physical Conditions

1. EASEMENTS, ACCESS AND ENCROACHMENTS: Buyer and Seller are advised that confirming the exact location of easements, shared or private driveways or roadways, and encroachments on or to the Property may be possible only by conducting a survey. There may be unrecorded easements, access rights, encroachments and other agreements affecting the Property that may not be disclosed by a survey. Representations regarding these items that are made in a Multiple Listing Service or advertisements, or plotted by a title company are often approximations, or based upon inaccurate or incomplete records. Unless otherwise specified by Broker in writing, Brokers have not verified any such matters or any representations made by Seller(s) or others. If Buyer wants further information, Buyer is advised and Broker(s) recommend that Buyer hire a licensed surveyor during Buyer's inspection contingency period. Brokers do not have expertise in this area.

SBSA REVISED 6/18 (PAGE 2 OF 14)

STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 2 OF 14)

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2836 Carmel St



2. ENVIRONMENTAL HAZARDS: Buyer and Seller are advised that the presence of certain kinds of organisms, toxins and contaminants, including, but not limited to, mold (airborne, toxic or otherwise), fungi, mildew, lead-based paint and other lead contamination, asbestos, formaldehyde, radon, pcb's, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, urea formaldehyde, or other materials may adversely affect the Property and the health of individuals who live on or work at the property as well as pets. Some municipalities may impose additional requirements regarding underground storage tanks, which may be more common in certain areas and cities throughout the State, especially where there are larger, older homes built before 1935. It is possible that these tanks, either now or in the future, may require inspections or abatement. If Buyer wants further information, Buyer is advised, and Broker(s) recommends, that Buyer have the Property inspected for the existence of such conditions and organisms, and conditions that may lead to their formation. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Buyer is also advised to consult with appropriate experts regarding this topic during Buyer's inspection contingency period. Broker recommends that Buyer and Seller read the booklets titled, "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants," and "Protect Your Family From Lead In Your Home." Brokers do not have expertise in this area.

3. FORMALDEHYDE: Formaldehyde is a substance known to the State of California to cause cancer. Exposure to formaldehyde may be caused by materials used in the construction of homes. The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of select homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes that were tested. Formaldehyde is present in the air because it is emitted by a variety of building materials and home products used in construction. The materials include carpeting, pressed wood products, insulation, plastics, and glues. Most homes that have been tested elsewhere do contain formaldehyde, although the concentrations vary from home to home with no obvious explanation for the differences. One of the problems is that many suppliers of building materials and home products do not provide information on chemical ingredients to builders. Buyers may have further questions about these issues. Buyer is advised to consult with appropriate experts regarding this topic during Buyer's inspection contingency period. Broker(s) recommend that Buyer and Seller read the booklet titled "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants." Brokers do not have expertise in this area.

4. GEOLOGIC HAZARDS: Buyer and Seller are advised that California has experienced earthquakes in the past, and there is always a potential of future earthquakes. Damage caused by an earthquake may not be discoverable by a visual inspection of Buyer(s) or Broker(s). Inspection by a licensed, qualified professional is strongly recommended to determine the structural integrity and safety of all structures and improvements on the Property. If the Property is a condominium, or located in a planned unit development or in a common interest subdivision, Buyer is advised to contact the homeowners association about earthquake repairs and retrofit work and the possibility of an increased or special assessment to defray the costs of earthquake repairs or retrofit work. Buyer is encouraged to obtain and read the booklet entitled, "The Homeowner's Guide to Earthquake Safety." In most cases a questionnaire within the booklet must be completed by Seller and the entire booklet given to the Buyer if the Property was built prior to 1960. If the Property was built before 1975, and contains structures constructed of masonry or precast (tilt up) concrete walls, with wood frame floors or roof, or if the building has unreinforced masonry walls, then Seller must provide Buyer a pamphlet entitled "The Commercial Property Owner's Guide to Earthquake Safety." Many areas have a wide range of geologic problems and numerous studies have been made of these conditions. Some of this information is available for public review at city and county planning departments. Buyer is encouraged to review the public maps and reports and/or obtain a geologist's inspection report. Buyer may be able to obtain earthquake insurance to protect their interest in the Property. Sellers who agree to provide financing should also consider requiring Buyers to obtain such insurance naming Seller(s) as insured lien holder(s). Brokers do not have expertise in this area.

5. INSPECTIONS: Buyer and Seller are advised that Buyer has the right to obtain various inspections of the Property under most residential purchase agreements. Buyer is advised to have the Property inspected by a professional property inspection service within Buyer's inspection contingency period. A licensed building contractor or other professional may perform these services. The inspector generally does not look behind walls or under carpets, or take equipment apart. Certain items on the Property, such as chimneys and spark arresters, plumbing, heating, air conditioning, electrical wiring, pool and spa, septic system, well, roof, foundation and structural items may need to be inspected by another professional, such as a chimney sweep, plumber, electrician, pool and spa service, septic or well company or roofer. A general physical inspection typically will not test for mold, wood destroying pests, lead-based paint, radon, asbestos and other environmental hazards, geologic conditions, age, remaining useful life or water-tightness of roof, cracks, leaks or operational problems associated with a pool or spa or connection of the Property to a sewer system. If Buyer wants further information on any aspect of the Property, Broker recommends that Buyer have a discussion with the professional property inspector and that Buyer hire an appropriate professional for the area of concern to Buyer. Brokers do not verify the results of any such inspection or guarantee the performance of any such inspector or service. Any election by Buyer to waive the right to a physical inspection of the Property or to rely on somebody other than an appropriate professional is against the advice of Brokers. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Brokers do not have expertise in these area.



6. MOLD: Buyer and Seller are advised that the presence of certain kinds of mold, fungi, mildew and other organisms, sometimes referred to as "toxic mold" (collectively "Mold"), may adversely affect the Property and the health of individuals who live on or work at the Property as well as pets. Mold does not affect all people the same way, and may not affect some people at all. Mold may be caused by water leaks or other sources of moisture such as, but not limited to, flooding, and leaks in windows, pipes and roof. Seller is advised to disclose the existence of any such conditions of which he or she is aware. Buyer should carefully review all of Seller's disclosures for any indication that any of these conditions exist. It is, however, possible that Mold may be hidden and that Seller is completely unaware of its existence. In addition, Mold is often undetectable from a visual inspection, a professional general property inspection and even a structural pest control inspection. Brokers do not have expertise in this area. If Buyer wants further information, Broker recommends that Buyer have the Property tested for Mold by an environmental hygienist or other appropriate professional during Buyer's inspection contingency period. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Brokers do not have expertise in this area.

7. PETS AND ANIMALS: Buyer and Seller are advised that the current or previous owner(s) may have had domesticated or other pets and animals at the Property. Odors from animal urine or other contamination may be dormant for long periods of time and then become active because of heat, humidity or other factors and might not be eliminated by cleaning or replacing carpets or other cleaning methods. Pet urine and feces can also damage hardwood floors and other floor coverings. Additionally, an animal may have had fleas, ticks and other pests that remain on the Property after the animal has been removed. If Buyer wants further information, Broker(s) recommend that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

8. SEPTIC SYSTEMS: Buyer and Seller are advised that a property may be served by one or more septic systems even though adjoining properties are connected to a sewer line. Buyer and Seller are also advised that some septic tanks and systems may have been abandoned or have leaked into ground water sources. Buyer is advised to contact the appropriate government agency to verify that the Property is connected to a sewer or served by a septic system. If the Property is served by a septic system, it may consist of a septic tank, cesspool, pits, leach lines or a combination of such mechanisms ("collectively, System"). No representation or warranty is made by Seller or Broker concerning the condition, operability, size, capacity or future expansion of a System, nor whether a System is adequate for use by the intended occupants of the Property. A change in the number of occupants or the quantity, composition or methods of depositing waste may affect the efficiency of the System. In addition, the amount of rainfall and ground water table may also affect the efficiency of the System. Many factors including, but not limited to, natural forces, age, deterioration of materials and the load imposed on a System can cause the System to fail at any time. Broker recommends that Buyer obtain an independent evaluation of any System by a qualified sanitation professional during Buyer's inspection contingency period. Buyer should consult with their sanitation professional to determine if their report includes the tank only, or other additional components of the System such as pits and leach fields. Not all inspectors are licensed and licenses are not available for all types of inspection activities. In some cases, Buyer's lender as well as local government agencies may require System inspection. System-related maintenance costs may include, but not be limited to, locating, pumping or providing outlets to ground level. Brokers are unable to advise Buyer or Seller regarding System-related issues or associated costs, which may be significant. If Buyer and Seller agree to obtain a System inspection, Buyer and Seller are cautioned that the inspection cost may include, but not be limited to, the costs of locating, pumping or providing outlets to ground level. Brokers do not have expertise in this area.

9. SOIL AND GEOLOGIC CONDITIONS: Buyer and Seller are advised that real estate in California is subject to settling, slippage, contraction, expansion erosion, subsidence, earthquakes and other land movement. The Property may be constructed on fill or improperly compacted soil and may have inadequate drainage capability. Any of these matters can cause structural problems to improvements on the Property. Civil or geo-technical engineers are best suited to evaluate soil stability, grading, drainage and other soil conditions. Additionally, the Property may contain known or unknown mines, mills, caves or wells. If Buyer wants further information, Broker recommends that Buyer hire an appropriate professional. Not all inspectors are licensed and licenses are not available for all types of inspections. Brokers do not have expertise in this area.

10. SQUARE FOOTAGE, LOT SIZE, BOUNDARIES AND SURVEYS: Buyer and Seller are advised that only an appraiser or land surveyor, as applicable, can reliably confirm square footage, lot size, Property corners and exact boundaries of the Property. Representations regarding these items that are made in a Multiple Listing Service, advertisements, and from property tax assessor records are often approximations, or based upon inaccurate or incomplete records. Fences, hedges, walls or other barriers may not represent actual boundary lines. Unless otherwise specified by Broker in writing, Brokers have not verified any such boundary lines or any representations made by Seller or others concerning square footage, lot size, Property corners or exact boundaries. Standard title insurance does not insure the boundaries of the Property. If the exact square footage or lot size or location of Property corners or boundaries is an important consideration in Buyer's decision to purchase the Property and/or how much Buyer is willing to pay for the Property, then Buyer must independently conduct Buyer's own investigation through appropriate professionals, appraisers, or licensed surveyors and rely solely on their data, recognizing that all measurements may not be consistent and that different sources may have different size assessments. Brokers do not have expertise in this area.



11. WATER INTRUSION: Buyer and Seller are advised that many homes suffer from water intrusion or leakage. The causes of water intrusion are varied, and can include defective construction, faulty grading, deterioration of building materials and absence of waterproof barriers. Water intrusion can cause serious damage to the Property. This damage can consist of wood rot, mold, mildew and even damage to the structural integrity of the Property. The cost of repairing and remediating water intrusion damage and its causes can be very significant. The existence and cause of water intrusion is often difficult to detect. Because you, your Broker or a general home inspector cannot visually observe any effects of water intrusion, Buyer and Seller should not assume that such intrusion does not exist. Broker recommends that Buyer have the Property inspected for water intrusion by an appropriate professional. Brokers do not have expertise in this area.

12. WELL AND WATER SYSTEM(S): Buyer and Seller are advised that the Property may be served by one or more water wells, springs, or private community or public water systems. Any of these private or public water systems may contain bacteria, chemicals, minerals and metals, such as chromium. Well(s) may have been abandoned on the Property. Buyer is advised to have both the quality and the quantity of water evaluated, and to obtain an analysis of the quality of any domestic and agricultural water in use, or to be used at the Property, from whatever source. Water quality tests can include not only tests for bacteria, such as coliform, but also tests for organic and inorganic chemicals, metals, mineral content and gross alpha testing for radioactivity. Broker recommends that Buyer consult with a licensed, qualified well and pump company and local government agency to determine whether any well/spring or water system will adequately serve Buyer's intended use and that Buyer have a well consultant perform an extended well output test for this purpose. Water well or spring capacity, quantity output and quality may change at any time. There are no guarantees as to the future water quality, quantity or duration of any well or spring. If Buyer wants further information, Broker(s) recommend that Buyer obtain an inspection of the condition, age, adequacy and performance of all components of the well/spring and any water system during Buyer's inspection contingency period. Brokers do not have expertise in this area.

13. WOOD DESTROYING PESTS: Buyer and Seller are advised that the presence of, or conditions likely to lead to the presence of infestation or infection of wood destroying pests and organisms may adversely affect the Property. Inspection reports covering these items can be separated into two sections: Section 1 identifies areas where infestation or infection is evident. Section 2 identifies areas where there are conditions likely to lead to infestation or infection. If Buyer wants further information, Buyer is advised and Broker recommends that Buyer have the Property inspected for the existence of such conditions and organisms, and conditions that may lead to their formation, by a registered structural pest control company during Buyer's inspection contingency period. Brokers do not have expertise in this area.

B. Property Use and Ownership

1. ACCESSORY DWELLING UNITS: Accessory Dwelling Units (ADUs) are known by many names: granny flats, in-law units, backyard cottages, secondary units and more. California has passed laws to promote the development of ADUs. Additional information about ADUs can be found at <http://hcd.ca.gov/policy-research/AccessoryDwellingUnits.shtml>. Buyer is advised to check with appropriate government agencies or third party professionals to verify permits and legal requirements and the effect of such requirements on current and future use and rentability of the Property, its development and size. Brokers do not have expertise in this area.

2. BUILDING PERMITS, ZONING AND CODE COMPLIANCE: Buyer and Seller are advised that any structure on the Property, including the original structure and any addition, modification, remodel or improvement may have been built without permits, not according to building codes, or in violation of zoning laws. Further, even if such structure was built according to the then-existing code or zoning requirement, it may not be in compliance with current building standards or local zoning. It is also possible that local law may not permit structures that now exist to be rebuilt in the event of damage or destruction. Certain governmental agencies may require periodic inspections to occur in the future. If Buyer wants further information, Broker(s) recommend that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

3. BUYER INTENDED FUTURE USE OF, AND MODIFICATIONS TO, THE PROPERTY: Buyer and Seller are advised that Seller's existing use of the property may not be consistent with Buyer's intended use or any future use that Buyer makes of the property, whether or not Buyer has any current plans to change the use. Buyer is advised to check with appropriate government agencies or third party professionals to verify what legal requirements are needed to accommodate any change in use. In addition, neither Seller nor Broker make any representations as to what modifications Buyer can make to the Property after close of escrow as well as any cost factors associated with any such modifications. Buyer is advised to check with his own licensed contractor and other such professionals as well as with the appropriate government agencies to determine what modifications Buyer will be allowed to make after close of escrow. Brokers do not have expertise in this area.

4. CALIFORNIA FAIR PLAN: Buyer and Seller are advised that insurance for certain hillside, oceanfront and brush properties may be available only from the California Fair Plan. This may increase the cost of insurance for such properties and coverage may be limited. Broker(s) recommend that Buyer consult with Buyer's own insurance agent during Buyer's inspection contingency period regarding the availability of coverage under the California Fair Plan and the length of time it may take for processing of a California Fair Plan application. Brokers do not have expertise in this area.



5. FUTURE REPAIRS, REPLACEMENTS AND REMODELS: Buyer and Seller are advised that replacement or repairs of certain systems or rebuilding or remodeling of all or a portion of the Property may trigger requirements that homeowners comply with laws and regulations that either come into effect after Close of Escrow or are not required to be complied with until the replacement, repair, rebuild or remodel has occurred. Permit or code requirements or building standards may change after Close of Escrow, resulting in increasing costs to repair existing features. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

6. HEATING VENTILATING AND AIR CONDITIONING SYSTEMS: Changes to state and federal energy efficiency regulations impact the installation, replacement and some repairs of heating and air conditioning units (HVAC). Federal regulations now require manufacturers of HVAC units to produce only units meeting a new higher Seasonal Energy Efficiency Rating (SEER). This will likely impact repairs and replacements of existing HVAC units. State regulations now require that when installing or replacing HVAC units, with some exceptions, duct work must be tested for leaks. Duct work leaking more than 15 percent must be repaired to reduce leaks. The average existing duct work typically leaks 30 percent. More information is available at the California Energy Commission's website <http://www.energy.ca.gov/title24/changeout>. Home warranty policies may not cover such inspections or repairs. The phase out of the use of R-22 Freon will have an impact on repairs and replacement of existing air conditioning units and heat pumps. More information is available from the Environmental Protection Agency at <http://www.epa.gov/ozone/title6/phaseout/22phaseout.html>. New efficiency standards are also in place for water heaters. As a consequence, replacement water heaters will generally be larger than existing units and may not fit in the existing space. Additional venting and other modifications may be required as well. More information is available from the U.S. Department of Energy at http://www1.eere.energy.gov/buildings/appliance_standards/product.aspx/productid/27. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

7. HISTORICAL DESIGNATION, COASTAL COMMISSION, ARCHITECTURAL, LANDSCAPE, AGRICULTURAL OR OPEN SPACE AND OTHER RESTRICTIONS ON BUILDINGS OR IMPROVEMENTS: Buyer and Seller are advised that the Property may be: (i) designated as a historical landmark, (ii) protected by a historical conservancy, (iii) subject to an architectural or landscaping review process, (iv) within the jurisdiction of the California Coastal Commission or other government agency, or (v) subject to a contract preserving use of all or part of the Property for agriculture or open space. If the Property is so designated or within the jurisdiction of any such, or similar, government agency, then there may be restrictions or requirements regarding Buyer's ability to develop, remove or trim trees or other landscaping, remodel, make improvements to and build on or rebuild the Property. Broker(s) recommend that Buyer satisfy him/herself during Buyer's inspection contingency period if any of these issues are of concern to Buyer. Brokers do not have expertise in this area.

8. INSURANCE, TITLE INSURANCE AND TITLE INSURANCE AFTER FORECLOSURE: Buyer and Seller are advised that Buyer may have difficulty obtaining insurance regarding the Property if there has been a prior insurance claim affecting the Property or made by Buyer but unrelated to the Property. Seller is required by C.A.R. Form RPA to disclose known insurance claims made during the past five years (C.A.R. Form SPQ or ESD). Sellers may not be aware of claims prior to their ownership. If Buyer wants further information, Broker(s) recommend that, during Buyer's inspection contingency period, Buyer conduct his or her own investigation for past claims. Buyer may need to obtain Seller's consent in order to have access to certain investigation reports. If the Property is a condominium, or is located in a planned unit development or other common interest subdivision, Buyer and Seller are advised to determine if the individual unit is covered by the Homeowner's Association Insurance and the type of insurance coverage that Buyer may purchase. Broker(s) recommend that Buyer consult Buyer's insurance agents during Buyer's inspection contingency period to determine the need, availability and possibility of securing any and all forms of other insurance or coverage or any conditions imposed by insurer as a requirement of issuing insurance. If Buyer does any repairs to the property during the escrow period or Buyer takes possession prior to Close of Escrow or Seller remains in possession after Close of Escrow, whether for a limited or extended period of time, Broker(s) recommend that Buyer and Seller each consult with their own insurance agent regarding insurance or coverage that could protect them in the transaction (including but not limited to: personal property, flood, earthquake, umbrella and renter's). Buyer and Seller are advised that traditional title insurance generally protects Buyer's title acquired through the sale of the property. While all title insurance policies, as do all insurance policies, contain some exclusions, some title insurance policies contain exclusions for any liability arising from a previous foreclosure. This can occur when a short sale has occurred but the lender mistakenly has also proceeded with a foreclosure. Buyer is strongly advised to consult with a title insurer to satisfy themselves that the policy to be provided adequately protects their title to the property against other possible claimants. Brokers do not have expertise in this area.

9. LAND LEASE: Buyer and Seller are advised that certain developments are built on leased land. This means that: (i) Buyer does not own the land, (ii) the right to occupy the land will terminate at some point in time, (iii) the cost to lease the land may increase at some point in the future, and (iv) Buyer may not be able to obtain title insurance or may have to obtain a different type of title insurance. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an attorney or other appropriate professional. Brokers do not have expertise in this area.



10. MARIJUANA, CANNABIS, AND METHAMPHETAMINE LABS: Buyer and Seller are advised that California law permits individual patients to cultivate, possess and use marijuana for medical purposes. Furthermore, California law permits primary caregivers, lawfully organized cooperatives, and collectives to cultivate, distribute and possess marijuana for medicinal purposes. California law also allows recreational use of marijuana for adults, as well as limited rights for individuals to grow and cultivate marijuana, and rights of others, subject to a licensing process, to grow, cultivate and distribute marijuana for recreational use. California's medical and recreational marijuana laws are in direct conflict with federal law which recognizes no lawful use for marijuana and has no exemptions for medical use. Federal criminal penalties, some of which mandate prison time, remain in effect for the possession, cultivation and distribution of marijuana. Buyer and Seller are strongly advised to seek legal counsel as to the legal risks and issues surrounding owning or purchasing a property where medical or any other marijuana activity is taking place. Marijuana storage, cultivation and processing carry the risk of causing mold, fungus or moisture damage to a property, additionally, some properties where marijuana has been cultivated have had alterations to the structure or the electrical system which may not have been done to code or with permits and may affect the safety of the structure or the safe operation of the electrical system. Buyer is strongly advised to retain an environmental hygienist contractor and other appropriate professionals to inspect a property where medical or any other marijuana activity has taken place. Broker recommends that Buyer and Seller involved with a property where there is medical marijuana activity or where it may take place review the California Attorney General's Guidelines for the "Security and Non-Diversion of Marijuana Grown for Medical Use" (https://oag.ca.gov/system/files/attachments/press_releases/n1601_medicalmarijuanaguidelines.pdf) and the U.S. Department of Justice memo regarding marijuana prosecutions at <https://www.justice.gov/opa/press-release/file/1022196/download>. Brokers do not have expertise in this area. While no state law permits the private production of methamphetamine, some properties have been the site of an illegal methamphetamine laboratory. State law imposes an obligation to notify occupants, a ban on occupying the property and clean up requirements when authorities identify a property as being contaminated by methamphetamine. Buyer is advised that a property where methamphetamine has been produced may pose a very serious health risk to occupants. Buyer is strongly advised to retain an environmental hygienist contractor or other appropriate professionals to inspect the property if methamphetamine production is suspected to have taken place. Brokers do not have expertise in this area.

11. OWNER'S TITLE INSURANCE: The Truth in Lending/RESPA integrated disclosure (TRID) established by the Consumer Financial Protection Bureau (CFPB) requires that lenders must tell borrowers that title insurance is "optional." While obtaining an owner's policy of title insurance may be "optional", it may be a contractual requirement as between Buyer and Seller. Furthermore, California Civil Code § 1057.6 requires that Buyers be provided with the following notice: "IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING."

Additionally, even the CFPB on its "ask CFPB" "What is owner's title insurance?" page advises "You may want to buy an owner's title insurance policy, which can help protect your financial interest in the home." Moreover, not obtaining an owner's policy may increase the cost of the lender's policy (required by most lenders), possibly require the separate purchase of a preliminary title report, and may have an impact on the sale of the Property in the future.

Buyers who decide to opt out of obtaining an owner's title insurance policy are acting against the advice of Brokers as well as the advice provided in the California Civil Code 1057.6 and by the CFPB. Brokers do not have expertise in this area.

12. RENT AND EVICTION CONTROL LAWS AND ORDINANCES: Buyer and Seller are advised that some cities and counties impose or may impose restrictions that limit the rent that can be charged to a tenant, the maximum number of tenants who can occupy the property, the right of a landlord to terminate a tenancy and the costs to do so. If Buyer wants further information, Broker(s) recommend that Buyer investigate the issue with an appropriate government authority or HOA during Buyer's inspection contingency period. Brokers do not have expertise in this area.

13. RETROFIT, BUILDING REQUIREMENTS, AND POINT OF SALE REQUIREMENTS: Buyer and Seller are advised that state and local Law may require (i) the installation of operable smoke detectors, (ii) bracing or strapping of water heaters, and (iii) upon sale completion of a corresponding written statement of compliance that is delivered to Buyer. Although not a point of sale or retrofit obligation, state law may require the property to have operable carbon monoxide detection devices. Additionally, some city and county governments may impose additional retrofit standards at time of sale including, but not limited to, installing or retrofitting low-flow toilets and showerheads, gas shut-off valves, fireplaces, and tempered glass. Further, there may be potential health impacts from air pollution caused from burning wood. Exposure to particulate matter from the smoke may cause short-term and long-term health effects. Buyers should consult with licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace. Broker(s) recommend that Buyer and Seller consult with the appropriate government agencies, inspectors, and other professionals to determine the retrofit standards for the Property, the extent to which the Property complies with such standards, and the costs, if any, of compliance. Brokers do not have expertise in this area.



14. SHORT TERM RENTALS AND RESTRICTIONS: Buyer and Seller are advised that some cities, counties and Homeowner Associations (HOAs) do impose or may impose restrictions that limit or prohibit the right of the owner or occupant to rent-out the Property for short periods of time (usually 30 Days or less). In short term rentals, as well as all rentals, Buyer and Seller are advised to seek assistance to ensure compliance with all fair housing laws and regulations. If Buyer wants further information, Broker(s) recommend that Buyer investigate the issue with an appropriate government authority or HOA during Buyer's inspection contingency period. Brokers do not have expertise in this area.

15. VIEWS: Buyer and Seller are advised that present views from the Property may be affected by future development or growth of trees and vegetation on adjacent properties and any other property within the line of sight of the Property. Brokers make no representation regarding the preservation of existing views. If Buyer wants further information, Broker(s) recommend that Buyer review covenants, conditions and restrictions, if any, and contact neighboring property owners, government agencies and homeowner associations, if any, during Buyer's inspection contingency period. Brokers do not have expertise in this area.

16. SWIMMING POOL, SECURITY AND SAFETY: Buyer and Seller are advised that state and local Law may require the installation of barriers, anti-entrapment grates, access alarms, self-latching mechanisms, pool covers, exit alarms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property may not be in compliance with these requirements. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions and other requirements. State law requires that new pools and spas be equipped with at least two of seven specified drowning prevention safety features. Home inspectors have a statutory obligation to perform a non-invasive physical examination of the pool area to identify which safety features are present. Brokers do not have expertise in this area.

17. WATER SHORTAGES AND CONSERVATION: Buyer and Seller are advised that the Property may be located in an area that could experience water shortages. The policies of local water districts and the city or county in which the Property is located can result in the occurrence of any or all of the following: (i) limitations on the amount of water available to the Property, (ii) restrictions on the use of water, and (iii) an increasingly graduated cost per unit of water use, including, but not limited to, penalties for excess usage. For further information, Broker recommends that Buyer contact the supplier of water to the Property regarding the supplier's current or anticipated policies on water usage and to determine the extent to which those policies may affect Buyer's intended use of the Property. If the Property is serviced by a private well, Buyer is advised that drought conditions and/or a low water table may make it necessary to arrange, through a private supplier, for delivery of water to the Property. Buyers should contact water truck companies for the costs involved. Brokers do not have expertise in this area.

18. 1915 IMPROVEMENT BOND MELLO-ROOS COMMUNITY DISTRICT, AND OTHER ASSESSMENT DISTRICTS: Buyer and Seller are advised that the Property may be subject to an improvement bond assessment under the Improvement Bond Act of 1915, a levy of a special tax pursuant to a Mello-Roos Community Facilities district, and/or a contractual assessment as provided in Section 5898.24 of the Streets And Highways Code or other assessment districts. Seller is generally required to make a good faith effort to obtain a disclosure notice from any local agency collecting such taxes and deliver such notice to Buyers. If there is a question as to whether an existing bond or assessment will be prorated as of the close of escrow, or whether Seller will pay off the bond or assessment at close of escrow, Buyers are advised to discuss the matter with the appropriate entity and address the responsibility for payment in negotiations for the purchase agreement or amendment prior to removing contingencies. Some cities and other localities have begun, or have the intention to begin, the process of requiring the replacement of utility poles by requiring that utility lines be buried underground. These projects can result in special tax assessments and set-up costs that are imposed on individual property owners. Brokers do not have expertise in this area.

C. Off-Site and Neighborhood Conditions

1. GOLF COURSE DISCLOSURES: Buyer and Seller are advised that if the Property is located adjacent to or near a golf course the following may apply: (i) Stray golf balls - Any residence near a golf course may be affected by errant golf balls, resulting in personal injury or destruction to property. Golfers may attempt to trespass on adjacent property to retrieve golf balls even though the project restrictions may expressly prohibit such retrieval. (ii) Noise and lighting - The noise of lawn mowers irrigation systems and utility vehicles may create disturbances to homeowners. Maintenance operations may occur in the early morning hours. Residents living near the clubhouse may be affected by extra lighting, noise, and traffic. (iii) Pesticides and fertilizer use - A golf course may be heavily fertilized, as well as subjected to other chemicals during certain periods of the year. (iv) Irrigation system - Golf course sprinkler systems may cause water overspray upon adjacent property and structures. Also the irrigation system of a golf course may use reclaimed and retreated wastewater. (v) Golf carts - Certain lots may be affected more than others by the use of golf carts. Lots adjacent to a tee or putting green may be subject to noise disturbances and loss of privacy. (vi) Access to golf course from residences - It is likely that most residences will not have direct access from their lots to the golf course. The project restrictions may disclaim any right of access or other easements from a resident's lot onto the golf course. (vii) View obstruction - Residents living near a golf course may have their views over the golf course impacted by maturing trees and landscaping or by changes to the course's configuration. (viii) Water restrictions - As some municipalities face water shortages, the continued availability of water to the

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STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 8 OF 14)

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golf course may be restricted or otherwise reduced by the local water agency. If Buyer wants further information, Broker(s) recommend that Buyer contact the local water agency regarding this matter. Brokers do not have expertise in this area.

2. NEIGHBORHOOD, AREA, PERSONAL FACTORS, BUYER INTENDED USE, HIGH SPEED RAILS, AND SMOKING RESTRICTIONS: Buyer and Seller are advised that the following may affect the Property or Buyer's intended use of it: neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to medical marijuana growing or distribution locations, cell phone towers, manufacturing, commercial, industrial, airport or agricultural activities or military ordnance locations, existing and proposed transportation, construction, and development, any other source that may affect noise, view, traffic, or odor, wild and domestic animals, susceptibility to tsunami and adequacy of tsunami warnings, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally-protected sites or improvements, cemeteries, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer and FAA requirements for recreational and non-recreational use of Unmanned Aircraft Systems (UAS) (drones) (see UAS frequently asked questions <http://www.faa.gov/uas/faqs/>). California is potentially moving toward high speed rail service between Northern and Southern California. This rail line could have an impact on the Property if it is located nearby. More information on the timing of the project and routes is available from the California High-Speed Rail Authority at www.cahighspeedrail.ca.gov/. The State of California has long-standing no smoking laws in place restricting smoking in most business and some public spaces. Local jurisdictions may enact laws that are more restrictive than state law. Many California cities have enacted restrictions on smoking in parks, public sidewalks, beaches and shopping areas. Some jurisdictions have restrictions entirely banning smoking inside privately owned apartments and condominiums as well as in the common areas of such structures, or limiting smoking to certain designated areas. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions. Brokers do not have expertise in this area.

3. NEIGHBORHOOD NOISE SOURCES: Buyer and Seller are advised that even if the Property is not in an identified airport noise influence area, the Property may still be subject to noise and air disturbances resulting from airplanes and other aircraft, commercial or military or both, flying overhead. Other common sources of noise include nearby commercial districts, schools, traffic on streets, highways and freeways, trains and general neighborhood noise from people, dogs and other animals. Noise levels and types of noise that bother one person may be acceptable to others. Buyer is advised to satisfy him/herself with regard to any sources of and amounts of noise at different times of day and night. Brokers do not have expertise in this area.

4. SCHOOLS: Buyer and Seller are advised that children living in the Property may not, for numerous reasons, be permitted to attend the school nearest the Property. Various factors including, but not limited to, open enrollment policies, busing, overcrowding and class size reductions may affect which public school serves the Property. School district boundaries are subject to change. Buyer is advised to verify whether the Property is now, and at the Close of Escrow will be, in the school district Buyer understands it to be in and whether residing in the Property entitles a person to attend any specific school in which that Buyer is interested. Broker(s) recommend that Buyer contact the local school or school district for additional information during Buyer's inspection contingency period. Brokers do not have expertise in this area.

5. UNDERGROUND PIPELINES AND UTILITIES: Throughout California underground pipelines transport natural gas, liquid fuel and other potentially hazardous materials. These pipelines may or may not provide utility services to the Property. Information about the location of some of the pipelines may be available from a company that also provides disclosures of natural and other hazards or from other sources of public maps or records. Proximity to underground pipelines, in and of itself, does not affirmatively establish the risk or safety of the property. If Buyer wants further information about these underground pipelines and utilities, Buyer is advised to consult with appropriate experts during Buyer's inspection contingency period. Brokers do not have expertise in this area.

D. Legal Requirements (Federal, State and Local)

1. DEATH ON THE PROPERTY: California Civil Code Section 1710.2 protects a seller from: (i) failing to disclose a death on the property that occurred more than 3 years before a buyer has made an offer on a property; and (ii) failing to disclose if an occupant of a property was afflicted with HIV/AIDS, regardless of whether a death occurred or if so, when. Section 1710.2 does not protect a seller from making a misrepresentation in response to a direct inquiry. If the Buyer has any concerns about whether a death occurred on the Property or the manner, location, details or timing of a death, the buyer should direct any specific questions to the Seller in writing. Brokers do not have expertise in this area.

2. EARTHQUAKE FAULT ZONES AND SEISMIC HAZARD ZONES: Buyer and Seller are advised that California Public Resources Code Sections 2622 and 2696 require the delineation and mapping of "Earthquake Fault Zones" along known active faults and "Seismic Hazard Zones" in California. Affected cities and counties must regulate certain development projects within these zones. Construction or development on affected properties may be subject to the findings of a geological report prepared by a registered California geologist. Generally, Seller must disclose if the Property is in such a zone and can use a research company to aid in the process. If Buyer wants further information, Broker recommends that,



during Buyer's inspection contingency period, Buyer make independent inquiries with such research companies or with appropriate government agencies concerning the use and improvement of the Property. Buyer is advised that there is a potential for earthquakes and seismic hazards even outside designated zones. Brokers do not have expertise in this area.

3. EPA's LEAD-BASED PAINT RENOVATION, REPAIR AND PAINTING RULE: The new rule requires that contractors and maintenance professionals working in pre-1978 housing, child care facilities, and schools with lead-based paint be certified; that their employees be trained; and that they follow protective work practice standards. The rule applies to renovation, repair, or painting activities affecting more than six square feet of lead-based paint in a room or more than 20 square feet of lead-based paint on the exterior. Enforcement of the rule begins October 1, 2010. See the EPA website at <http://www.epa.gov/lead> for more information. Buyer and Seller are advised to consult an appropriate professional. Brokers do not have expertise in this area.

4. FIRE HAZARDS: Buyer and Seller are advised that fires annually cause the destruction of thousands of homes. Due to varied climate and topography, certain areas have higher risks of fires than others. Certain types of materials used in home construction create a greater risk of fire than others. If the Property is located within a State Fire Responsibility Area or a Very High Fire Hazard Zone, generally Seller must disclose that fact to Buyer under California Public Resources Code Section 4136 and California Government Code Sections 51178 and 51183.5, and may use a research company to aid in the process. Owners of property may be assessed a fire prevention fee on each structure on each parcel in such zones. The fee may be adjusted annually commencing July 1, 2013. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer contact the local fire department and Buyer's insurance agent regarding the risk of fire. Buyer is advised that there is a potential for fires even outside designated zones. Brokers do not have expertise in this area.

5. FIRPTA/CALIFORNIA WITHHOLDING: Buyer and Seller are advised that: (i) Internal Revenue Code Section 1445, as of February 17, 2016, requires a Buyer to withhold and to remit to the Internal Revenue Service 15% of the purchase price of the property if the Seller is a non-resident alien, unless an express exemption applies. Only 10% needs to be withheld if the Buyer acquires the property as Buyer's residence and the price does not exceed \$1,000,000. Seller may avoid withholding by providing Buyer a statement of non-foreign status. The statement must be signed by Seller under penalty of perjury and must include Seller's tax identification number. Buyer can also avoid having to withhold Federal taxes from Seller's Proceeds if the property price is \$300,000 or less, and the Buyer signs an affidavit stating Buyer intends to occupy the property as a principal residence. (ii) California Revenue and Taxation Code Section 18662 requires that a Buyer withhold and remit to the California Franchise Tax Board 3 1/3% of the purchase price of the property unless the Seller signs an affidavit that the property was the Seller's (or the decedent's, if a trust or probate sale) principal residence or that the sales price is \$100,000 or less or another express exemption applies. Exemptions from withholding also apply to legal entities such as corporations, LLCs, and partnerships. Brokers cannot give tax or legal advice. Broker recommends that Buyer and Seller seek advice from a CPA, attorney or taxing authority. Brokers do not have expertise in this area.

6. FLOOD HAZARDS: Buyer and Seller are advised that if the Property is located within a Special Flood Hazard Area, as designated by the Federal Emergency Management Agency (FEMA), or an area of Potential Flooding pursuant to California Government Code Section 8589.3, generally Seller must disclose this fact to Buyer and may use a research company to aid in the process. The National Flood Insurance Program was established to identify all flood plain areas and establish flood-risk zones within those areas. The program mandates flood insurance for properties within high-risk zones if loans are obtained from a federally-regulated financial institution or are insured by any agency of the United States Government. The extent of coverage and costs may vary. If Buyer wants further information, Broker(s) recommend that Buyer consult his or her lender and/or insurance agent during Buyer's inspection contingency period. Buyer is advised that there is a potential for flooding even outside designated zones. Brokers do not have expertise in this area.

7. MEGAN'S LAW DATABASE DISCLOSURE: Notice: Pursuant to Section 290.46 of the Penal Code, information about specific registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at <http://www.meganslaw.ca.gov/>. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers, in any, are required to check this website. If Buyer wants further information, Buyer should obtain information directly from this website.) Brokers do not have expertise in this area.

8. NOTICE OF YOUR SUPPLEMENTAL PROPERTY TAX BILL; ACCURATE SALES PRICE REPORTING: Buyer and Seller are advised that pursuant to Civil Code § 1102.6(c), Seller, or his or her agent, is required to provide the following notice to the Buyer:

"California property tax law requires the Assessor to revalue real property at the time the ownership of property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes.

The supplemental tax bills are not mailed to your lender. Even if you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector. If you have any questions concerning this matter, please call your Tax Collector's Office."



Although the notice refers to loan closing as a trigger, it is actually the change of ownership which triggers this reassessment of property taxes. Therefore, the Property can be reassessed even if there is no loan involved in the purchase of the Property. The Purchase Agreement may allocate supplemental tax bills received after the Close of Escrow to the Buyer. A change (preliminary change) of ownership form is generally required to be filed by the Buyer with the local taxing agency. The form identifies the sales price of the Property. An assessor may value the Property at its fair market value regardless of the sales price declared by the Buyer. If Buyer wants further information concerning these matters, Broker(s) recommend that Buyer discuss the issue with the County Assessor or Tax Collector or their own tax or legal advisor. Brokers do not have expertise in this area.

9. ZONE MAPS MAY CHANGE: Maps that designate, among other things, Earthquake Fault Zones, Seismic Hazard Zones, State Fire Responsibility Areas, Very High Fire Hazard Zones, Special Flood Hazard Areas, and Potential Flooding Areas are occasionally redrawn by the applicable Government Agency. Properties that are currently designated in a specified zone or area could be removed and properties that are not now designated in a specified zone or area could be placed in one or more such zones or areas in the future. A property owner may dispute a FEMA flood hazard location by submitting an application to FEMA. Brokers do not have expertise in this area.

E. Contract Related Issues and Terms

1. ARBITRATION: Buyer and Seller are advised that arbitration is a process by which the disputing parties hire a neutral person to render a binding decision. Generally, arbitration is faster and less expensive than resolving disputes by litigating in court. The rules are usually less formal than in court, and it is a private process not a matter of public record. By agreeing to arbitration, the parties give up the right to a jury trial and to appeal the arbitrator's decision. Arbitration decisions have been upheld even when arbitrators have made a mistake as to the law or the facts. If the parties agree to arbitration, then after first attempting to settle the dispute through mediation, any dispute arising out of their agreement (with a few limited exceptions) must be submitted to binding arbitration. Buyer and Seller must weigh the benefits of a potentially quicker and less expensive arbitration against giving up the right to a jury trial and the right to appeal. Brokers cannot give legal advice regarding these matters. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to arbitration. Brokers do not have expertise in this area.

2. ELECTRONIC SIGNATURES: The ability to use electronic signatures to sign legal documents is a great convenience, facilitating the ability to send and receive documents and reach agreement in a real estate transaction. However, Buyers and Sellers are cautioned to carefully read each provision. Arrows indicating "sign here" are merely there for the convenience of finding the next signature line. Only sign if you have taken the time necessary to read each document thoroughly, have full knowledge, and consent to the terms provided in the document. Brokers strongly advise Buyers and Sellers to read the entire document before signing even if they have reviewed an earlier draft. Do not just scroll through or skip to the next signature line. You are signing a legally binding agreement. Read it carefully. Ask your Broker, Agent or legal advisor if you have questions or do not understand a provision, and sign only if you agree to be bound by the terms. Brokers do not have expertise in this area.

3. ESCROW FUNDS: Buyer and Seller are advised that California Insurance Code Section 12413.1 provides that escrow companies cannot disburse funds unless there are sufficient "good funds" to cover the disbursement. "Good funds" are defined as cash, wire transfers and cashiers' or certified checks drawn on California depositories. Escrow companies vary in their own definitions of "good funds." Broker(s) recommend that Buyer and Seller ask the escrow company regarding its treatment of "good funds." All samples and out-of-state checks are subject to waiting periods and do not constitute "good funds" until the money is physically transferred to and received by the escrow holder. Brokers do not have expertise in this area.

4. HOME WARRANTY: Buyer and Seller are advised that Buyer and Seller can purchase home warranty plans covering certain standard systems of the Property both before and after Close of Escrow. Seller can obtain coverage for the Property during the listing period. For an additional premium, an upgraded policy providing additional coverage for air conditioning, pool and spa and other features can be purchased. Home warranties do not cover every aspect of the Property and may not cover inspections or upgrades for repairs required by state or federal laws or pre-existing conditions. Broker(s) recommend that Buyer review the policy for details. Brokers do not have expertise in this area.

5. IDENTIFICATION OF NATURAL PERSONS BEHIND SHELL COMPANIES IN ALL-CASH TRANSACTIONS: The U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) has issued Geographic Targeting Orders (GTOs) targeting alleged money laundering risk in the real estate sector. The GTOs will temporarily require U.S. title insurance companies to identify the natural persons behind shell companies used to pay "all cash" for residential real estate in certain major metropolitan areas where the purchase price equals or exceeds \$300,000. FinCEN remains concerned that all-cash purchases (i.e., those without bank financing) may be conducted by individuals attempting to hide their assets and identity by purchasing residential properties through limited liability companies, corporations or other similar structures.



GTOs have helped law enforcement identify possible illicit activity. FinCEN reported that a significant portion of covered transactions have dictated possible criminal activity associated with the individuals reported to be the beneficial owners behind shell company purchasers. Brokers do not have expertise in this area.

6. LIQUIDATED DAMAGES: Buyer and Seller are advised that a liquidated damages clause is a provision Buyer and Seller can use to agree in advance to the amount of damages that a seller will receive if a buyer breaches the Agreement. The clause usually provides that a seller will retain a buyer's initial deposit paid if a buyer breaches the agreement, and generally must be separately initialed by both parties and meet other statutory requirements to be enforceable. For any additional deposits to be covered by the liquidated damages clause, there generally must be another separately signed or initialed agreement (see C.A.R. Form RID). However, if the Property contains from 1 to 4 units, one of which a buyer intends to occupy, California Civil Code Section 1675 limits the amount of the deposit subject to liquidated damages to 3% of the purchase price. Even though both parties have agreed to a liquidated damages clause, an escrow company will usually require either a judge's or arbitrator's decision or instructions signed by both parties in order to release a buyer's deposit to a seller. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to a liquidated damages clause. Brokers do not have expertise in this area.

7. MEDIATION: Buyer and Seller are advised that mediation is a process by which the parties hire a neutral person to facilitate discussion and negotiation between the parties with the goal of helping them reach a settlement of their dispute. The parties generally share in the cost of this confidential, non-binding negotiation. If no agreement is reached, either party can pursue further legal action. Under C.A.R. Form RPA-CA: (i) the parties must mediate any dispute arising out of their agreement (with a few limited exceptions, such as matters within the jurisdiction of a small claims court) before they resort to arbitration or court, and (ii) if a party proceeds to arbitration or court without having first attempted to mediate the dispute, that party risks losing the right to recover attorney fees and costs even if he or she prevails. Brokers do not have expertise in this area.

8. NON CONFIDENTIALITY OF OFFERS: Buyer is advised that Seller or Listing Agent may disclose the existence, terms, or conditions of Buyer's offer, unless all parties and their agent have signed a written confidentiality agreement (such as C.A.R. Form CND). Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the Listing Agent's marketing strategy and the instructions of the Seller. Brokers do not have expertise in this area.

9. ONLINE OR WIRE FUNDS TRANSFERS: Instructions for the online or wire transfer of escrow deposits have been known to be intercepted by hackers who alter them so that Buyer's funds are actually wired to accounts controlled by criminals rather than the escrow company. Buyers should exercise extreme caution in making electronic funds transfers, verifying that the organization they are transferring funds to is, in fact, the escrow company and that their own bank account information is not being exposed. See C.A.R. Form WFA for further information. Brokers do not have expertise in this area.

F. Other Factors Affecting Property

1. COMMUNITY ENHANCEMENT AND PRIVATE TRANSFER FEES: Buyer and Seller are advised that some areas or communities may have enhancement fees or user-type fees, or private transfer taxes and fees, over and above any stated fees. The Federal Housing Finance Agency has issued a rule that prohibits Fannie Mae and Freddie Mac from purchasing loans made on properties with private transfer fees if those fees were established on or after February 8, 2011. See title 12 Code of Federal Regulations Section 1228 for more information and exceptions. Private transfer fees: (i) may last for a fixed period of time or in perpetuity, (ii) are typically calculated as a percentage of the sales price, and (iii) may have private parties, charitable organizations or interest-based groups as their recipients who may use the funds for social issues unrelated to the property. Brokers do not have expertise in this area.

2. GENERAL RECALL/DEFECTIVE PRODUCT/CLASS ACTION INFORMATION: Buyer and Seller are advised that government entities and manufacturers may at any time issue recall notices and/or warnings about products that may be present in the Property, and that these notices or warnings can change. The following nonexclusive, non-exhaustive list contains examples of recalled/defective products/class action information: horizontal furnaces, Whirlpool Microwave Hood Combination; RE-ConBuilding products roof tiles; Central Sprinkler Company Fire Sprinklers; Robert Shaw Water Heater Gas Control Valves; Trex Decking; water heaters; aluminum wiring; galvanized, abs, polybutylene PEX, KITEC® and copper pipe; and dry wall manufactured in China. There is no single, all-inclusive source of information on product recalls, defective products or class actions; however, the U.S. Consumer Product Safety Commission (CPSC) maintains a website that contains useful information. If Buyer wants further information regarding the items listed above, Broker(s) recommend that Buyer review the CPSC website at <http://www.cpsc.gov/> during Buyer's inspection contingency period. Another source affiliated with the CPSC is <http://saferproducts.gov/> which allows a Buyer to search by product type or product name. Buyer may also search using the various search engines on the Internet for the specified product



or products in question. Brokers recommend that Buyer satisfy themselves regarding recalled or defective products. Brokers will not determine if any aspect of the Property is subject to a recall or is affected by a class action lawsuit. Brokers do not have expertise in this area.

3. HOMEOWNER ASSOCIATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS ("CC&Rs"); CHARGING STATIONS; FHA/VA APPROVAL: Buyer and Seller are advised that if the Property is a condominium, or located in a planned unit development, or in a common interest subdivision, there are typically restrictions on use of the Property and rules that must be followed. Restrictions and rules are commonly found in Declarations and other governing documents. Further there is likely to be a homeowner association (HOA) that has the authority to affect the Property and its use. Whether or not there is a HOA, the Property may still be subject to CC&Rs restricting use of the Property. The HOA typically has the authority to enforce the rules of the association, assess monetary payments (both regular monthly dues and special assessments) to provide for the upkeep and maintenance of the common areas, and enforce the rules and assessment obligations. If you fail to abide by the rules or pay monies owed to the HOA, the HOA may put a lien against your Property. Additionally, if an electric vehicle charging station is installed in a common area or an exclusive use common area, each Seller whose parking space is on or near that charging station must disclose its existence and that the Buyer will have the responsibilities set forth in California Civil Code §4745. The law requires the Seller to provide the Buyer with the CC&Rs and other governing documents, as well as a copy of the HOA's current financial statement and operating budget, among other documents. Effective July 1, 2016, a Common Interest Development (CID) will be required to include in its annual budget report a separate statement describing the status of the CID as a Federal Housing Administration or Department of Veterans Affairs approved Development. While the purchase agreement and the law require that the annual budget be provided by Seller to Buyer, Brokers will not and cannot verify the accuracy of information provided by the CID. Buyer is advised to carefully review all HOA documents provided by Seller and the CC&Rs, if any, and satisfy him/herself regarding the use and restrictions of the Property, the amount of monthly dues and/or assessments, the adequacy of reserves, current and past insurance coverage and claims, and the possibility of any legal action that may be taken by or against the HOA. The HOA may not have insurance or may not cover personal property belonging to the owner of the unit in the condominium, common interest or planned unit development. For more information Buyer may request from Broker the C.A.R. Legal Q&A titled: "Homeowners' Associations: A Guide for REALTORS®". Brokers do not have expertise in this area.

4. LEGAL ACTION: Buyer and Seller are advised that if Seller or a previous owner was involved in a legal action (litigation or arbitration) affecting the Property, Buyer should obtain and review public and other available records regarding the legal action to determine: (i) whether the legal action or any resolution of it affects Buyer and the Property, (ii) if any rights against any parties involved in the legal action survive the legal action or have been terminated or waived as a result of the legal action, whether or not involving the same issue as in the legal action, and (iii) if any recommendations or requirements resulting from the legal action have been fulfilled and, if so, that Buyer is satisfied with any such action. Buyer should seek legal advice regarding these matters. Brokers do not have expertise in this area.

5. MARKETING; INTERNET ADVERTISING; INTERNET BLOGS; SOCIAL MEDIA: Buyer and Seller are advised that Broker may employ a "staging" company to assist in the presentation of the Property. The furnishings and decorations in the staging are generally not included in the sale unless specifically noted in the Agreement. Statements and inclusion in the MLS entry, flyers, and other marketing materials are NOT part of the Agreement. In addition, Broker may employ a service to provide a "virtual tour" or "virtual staging" or Internet marketing of the Property, permitting potential buyers to view the Property over the Internet. While they are supposed to be an accurate representation of the property, the photos may be enhanced and not fully representative of the actual condition of the property. Further, neither the service provider nor Broker have total control over who will obtain access to materials placed on the internet or what action such persons might take. Additionally, some Internet sites and other social media provide formats for comments or opinions of value of properties that are for sale. Information on the Property, or its owner, neighborhood, or any homeowner association having governance over the Property may be found on the internet on individual or commercial web sites, blogs, Facebook pages, or other social media. Any such information may be accurate, speculative, truthful or lies, and it may or may not reflect the opinions or representations by the Broker. Broker will not investigate any such sites, blogs, social media or other internet sites or the representations contained therein. Buyer is advised to make an independent search of electronic media and online sources prior to removing any investigation contingency. Buyer and Seller are advised that Broker has no control over how long the information or photos concerning the Property will be available on the Internet or through social media, and Broker will not be responsible for removing any such content from the internet or MLS. Brokers do not have expertise in this area.

6. PACE LOANS AND LIENS: The acronym PACE stands for Property Assessed Clean Energy. PACE programs allow property owners to finance energy and water conservation improvements and pay for them through an assessment on the owner's property. PACE programs are available in most areas for both residential one to four unit properties and commercial properties. PACE programs may be referred to by different names such as HERO or SCEIP, among others. If a PACE project is approved, an assessment lien is placed on a property for the amount owed plus interest. A property owner repays the entity for the improvements as a special tax assessment on the property tax bill over a period of years. A PACE lien is similar to a property tax lien in that it has "super priority." Sellers are obligated to disclose, pursuant to the C.A.R. Residential Purchase Agreement (C.A.R. Form RPA), whether any improvement is subject to a lien such as a PACE lien. Properties that are subject to PACE liens made on or after July 6, 2010 may not be eligible for financing. For more information, Buyer may request from Broker the C.A.R. Legal Q&A titled: "PACE Programs and Solar Leases". Brokers do not have expertise in this area.



7. **RE-KEYING:** All locks should be re-keyed immediately upon close of escrow so as to ensure the Buyer's safety and security of their persons as well as their personal belongings. Alarms, if any, should be serviced by professionals and codes should be changed. Garage door openers and remotes should be re-coded. In the event of a lease back to Seller after the close of escrow, Seller is advised that the Buyer is entitled to the keys as the Owner of the Property even though the Seller stays in possession of the Property as provided in the RPA.

8. **SOLAR PANEL LEASES:** Solar panel or power systems may be owned or leased. Although leased systems are probably personal property, they are included in the sale by the C.A.R. purchase agreement which also obligates the Seller to make a disclosure to the Buyer and provide the Buyer with documentation concerning the lease and system. Leasing companies generally secure payments by filing a UCC-1 (a Uniform Commercial Code form giving notice of a creditor's security interest) against the property. Buyers are given a contingency right to investigate the solar related system and documentation and assume any lease. Assumption of the lease may require Buyer to provide financial information to the leasing company who may require a credit report be obtained on the Buyer. Should a solar panel or power system be on the Property, Buyers should determine if the system is leased or owned. Buyers willingness to assume any such lease is a contingency in favor of Seller. For more information, Buyer may request from Broker the C.A.R. Legal Q&A titled: "PACE Programs and Solar Leases". Brokers do not have expertise in this area.

9. **RECORDING DEVICES:** Audio or video recording devices or both may be present on the Property, whether or not notice of any such devices has been posted. Seller may or may not even be aware of the capability of such devices.

G. Local Disclosures and Advisories

1. LOCAL ADVISORIES OR DISCLOSURES (IF CHECKED):

The following disclosures or advisories are attached:

- A. _____
- B. _____
- C. _____
- D. _____

Buyer and Seller are encouraged to read all 14 pages of this Advisory carefully. By signing below, Buyer and Seller acknowledge that each has read, understands and received a copy of all 14 pages of this Advisory.

BUYER _____ Date _____
 BUYER _____ Date _____
 (Address) _____

DocuSigned by: *Kevin Tsai* Date 7/16/2019
 SELLER _____ *Kevin Tsai* Date _____
 DocuSigned by: *Julia X. Song* Date 7/16/2019
 SELLER _____ *Julia Song* Date _____
 (Address) _____

Real Estate Broker (Selling Firm) _____ DRE Lic. # _____
 By _____ DRE Lic.# _____ Date _____
 Address _____ City _____ State _____ Zip _____
 Telephone _____ Fax _____ Email _____

Real Estate Broker (Selling Firm) Northbrae Properties Inc DRE Lic. # 01951376
 By Christian Thede DRE Lic.# 01335015 Date 7/16/2019
 Address 1600 Hopkins St City Berkeley State CA Zip 94707-2713
 Telephone (510)774-5927 Fax _____ Email chris@northbrae.com

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2836 Carmel St



Map of Statutory Natural Hazards For ALAMEDA County

Property Address: 2836 CARMEL ST
OAKLAND, ALAMEDA COUNTY, CA 94602
("Property")

APN: 029-0982-057-02
Report Date: 06/24/2019
Report Number: 2502282

Map of Statutory Natural Hazard Zones



□ Subject Property

	Special Flood Hazard Area
	Area of Potential Flooding, Dam Failure
	Very High Fire Hazard Severity Zone
	Wildland Area, Substantial Forest Fire Risk
	Earthquake Fault Zone
	Seismic Hazard Zone, Landslide
	Seismic Hazard Zone, Liquefaction

This map is provided for convenience only to show the approximate location of the Property and is not based on a field survey.



Natural Hazard Disclosure (NHD) Report For ALAMEDA County

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("Property")

APN: 029-0982-057-02
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Statutory Natural Hazard Disclosure ("NHD") Statement and Acknowledgment of Receipt

The seller and seller's agent(s) or a third-party consultant disclose the following information with the knowledge that even though this is not a warranty, prospective buyers may rely on this information in deciding whether and on what terms to purchase the Property. Seller hereby authorizes any agent(s) representing any principal(s) in this action to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the Property.

The following are representations made by the seller and seller's agent(s) based on their knowledge and maps drawn by the state and federal governments. This information is a disclosure and is not intended to be part of any contract between the seller and buyer. THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZARDOUS AREA(S):

A SPECIAL FLOOD HAZARD AREA (Any type Zone "A" or "V") designated by the Federal Emergency Management Agency
Yes ___ No **X** Do not know and information not available from local jurisdiction ___

AN AREA OF POTENTIAL FLOODING shown on a dam failure inundation map pursuant to Section 8589.5 of the Government Code.
Yes ___ No **X** Do not know and information not available from local jurisdiction ___

A VERY HIGH FIRE HAZARD SEVERITY ZONE pursuant to Section 51178 or 51179 of the Government Code. The owner of this Property is subject to the maintenance requirements of Section 51182 of the Government Code.
Yes ___ No **X**

A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS pursuant to Section 4125 of the Public Resources Code. The owner of this Property is subject to the maintenance requirements of Section 4291 of the Public Resources Code. Additionally, it is not the state's responsibility to provide fire protection services to any building or structure located within the wildlands unless the Department of Forestry and Fire Protection has entered into a cooperative agreement with a local agency for those purposes pursuant to Section 4142 of the Public Resources Code.
Yes ___ No **X**

AN EARTHQUAKE FAULT ZONE pursuant to Section 2622 of the Public Resources Code.
Yes ___ No **X**

A SEISMIC HAZARD ZONE pursuant to Section 2696 of the Public Resources Code.
Yes (Landslide Zone) ___ Yes (Liquefaction Zone) ___
No **X** Map not yet released by state ___

THESE HAZARDS MAY LIMIT YOUR ABILITY TO DEVELOP THE REAL PROPERTY, TO OBTAIN INSURANCE, OR TO RECEIVE ASSISTANCE AFTER A DISASTER. THE MAPS ON WHICH THESE DISCLOSURES ARE BASED ESTIMATE WHERE NATURAL HAZARDS EXIST. THEY ARE NOT DEFINITIVE INDICATORS OF WHETHER OR NOT A PROPERTY WILL BE AFFECTED BY A NATURAL DISASTER. SELLER(S) AND BUYER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE REGARDING THOSE HAZARDS AND OTHER HAZARDS THAT MAY AFFECT THE PROPERTY.

	7/16/2019		7/16/2019
Signature of Buyer(s) 60A6FA2BC8040F...	Date	Signature of Seller(s) 60ABEF06D2B5427...	Date
	7/16/2019		
Signature of Seller's Agent DocuSigned By: Christian Thede	Date	Signature of Seller's Agent	Date

Seller(s) and their agent(s) represent that the information herein is true and correct to the best of their knowledge as of the date signed by the transferor(s) and agent(s).

Seller(s) and their agent(s) acknowledge that they have exercised good faith in the selection of a third-party report provider as required in Section 1103.7 of the Civil Code, and that the representations made in this Natural Hazard Disclosure Statement are based upon information provided by the independent third-party disclosure provider as a substituted disclosure pursuant to Section 1103.4 of the Civil Code. Neither seller(s) nor their agent(s) (1) has independently verified the information contained in this statement and Report or (2) is personally aware of any errors or inaccuracies in the information contained on the statement. This statement was prepared by the provider below:

Third-Party Disclosure Provider(s) FIRST AMERICAN PROFESSIONAL REAL ESTATE SERVICES, INC. OPERATING THROUGH ITS JCP-LGS DIVISION.
Date 24 June 2019

Buyer represents that he or she has read and understands this document. Pursuant to Civil Code Section 1103.8, the representations made in this Natural Hazard Disclosure Statement do not constitute all of the seller(s) or agent's disclosure obligations in this transaction.

Signature of Buyer(s) _____ Date _____ Signature of Buyer(s) _____ Date _____

BUYER(S) REPRESENTS ABOVE HE/SHE HAS RECEIVED, READ AND UNDERSTANDS THE COMPLETE JCP-LGS DISCLOSURE REPORT DELIVERED WITH THIS SUMMARY:

- A. Additional Property-specific Statutory Disclosures: Former Military Ordnance Site, Commercial/Industrial Use Zone, Airport Influence Area, Airport Noise, San Francisco Bay Conservation and Development District Jurisdiction (in S.F. Bay counties only), California Energy Commission Duct Sealing Requirement, Notice of Statewide Right to Farm, Notice of Mining Operations, Sex Offender Database (Megan's Law), Gas and Hazardous Liquid Transmission Pipeline Database.
- B. Additional County and City Regulatory Determinations as applicable: Airports, Avalanche, Blow Sand, Coastal Zone, Dam/Levee Failure Inundation, Debris Flow, Erosion, Flood, Fault Zone, Fire, Groundwater, Landslide, Liquefaction, Methane Gas, Mines, Naturally Occurring Asbestos, Redevelopment Area, Right to Farm, Runoff Area, Seiche, Seismic Shaking, Seismic Ground Failure, Slope Stability, Soil Stability, Subsidence, TRPA, Tsunami.
- C. General advisories: Methamphetamine Contamination, Mold, Radon, Endangered Species Act, Abandoned Mines, Oil & Gas Wells, Tsunami Maps (coastal only), Wood-burning fireplaces.
- D. Additional Reports - Enclosed if ordered: (1) PROPERTY TAX REPORT (includes state-required Notices of Mello-Roos and 1915 Bond Act Assessments, and Notice of Supplemental Property Tax Bill, (2) ENVIRONMENTAL SCREENING REPORT (discloses Transmission Pipelines, Contaminated Sites, and Oil & Gas Wells). Enclosed if applicable: Local Addenda.
- E. Government Guides in Combined Booklet with Report. Refer to Booklet: (1) ENVIRONMENTAL HAZARDS: "A Guide for Homeowners, Buyers, Landlords and Tenants"; (2) EARTHQUAKE SAFETY: "The Homeowners Guide To Earthquake Safety" and included "RESIDENTIAL EARTHQUAKE HAZARDS REPORT FORM"; (3) LEAD-BASED PAINT: "Protect Your Family From Lead in Your Home"; (4) BRIEF GUIDE TO MOLD, MOISTURE AND YOUR HOME; (5) WHAT IS YOUR HOME ENERGY RATING? Government Guides are also available on the Company's "Electronic Bookshelf" at <http://www.disclosures.com/>.



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For ALAMEDA County**

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JCP LGS Residential Resale Property Disclosure Reports

Summary of Disclosure Determinations For ALAMEDA County

Property Address: 2836 CARMEL ST
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PROPERTY DISCLOSURE SUMMARY - READ FULL REPORT

Statutory NHD Determinations	IN	NOT IN	Map N/A*	Property is:	NHD Report page:
Flood		X		NOT IN a Special Flood Hazard Area. The Property is IN a FEMA-designated Flood Zone(s) X.	6
Dam		X		NOT IN an area of potential dam inundation.	6
Very High Fire Hazard Severity		X		NOT IN a very high fire hazard severity zone.	7
Wildland Fire Area		X		Not in a wildland-state responsibility area.	7
Fault		X		NOT IN an earthquake fault zone designated pursuant to the Alquist-Priolo Act.	8
Landslide		X		NOT IN an area of earthquake-induced land sliding designated pursuant to the Seismic Hazard Mapping Act.	8
Liquefaction		X		NOT IN an area of potential liquefaction designated pursuant to the Seismic Hazard Mapping Act.	8

County-level NHD Determinations	IN	NOT IN	Map N/A*	Property is:	NHD Report page:
Fault	X			WITHIN one-eighth of one mile (660 feet) of a mapped Fault that is not bounded by a regulatory fault zone.	10
Landslide		X		NOT IN a mapped Landslide deposit larger than 200 feet.	10
Fire		X		NOT IN a mapped Fire Hazard Severity Zone in SRA rated Very High, High, or Moderate.	11
Liquefaction	X			IN a mapped area with a Low Liquefaction Susceptibility rating.	10
Tsunami		X		NOT IN a mapped Tsunami Inundation Area.	11

City-level NHD Determinations	IN	NOT IN	Map N/A*	Property is:	NHD Report page:
Dam Inundation		X		NOT IN a city-designated dam failure inundation zone zone	13
Fire Hazard	X			IN the city fire prevention and assessment district	13
Tsunami		X		NOT IN a tsunami run-up area	13

Additional Statutory Disclosures	IN	NOT IN	Map N/A*	Property is:	NHD Report page:
Former Military Ordnance		X		NOT WITHIN one mile of a formerly used ordnance site.	14
Commercial or Industrial	X			WITHIN one mile of a property zoned to allow commercial or industrial use.	14
Airport Influence Area		X		NOT IN an airport influence area.	15
Airport Noise Area for 65 Decibel		X		NOT IN a delineated 65 dB CNEL or greater aviation noise zone.	16
Bay Conservation and Development Commission		X		NOT IN an area that is within the jurisdiction of the San Francisco Bay Conservation and Development Commission.	17
California Energy Commission	X			IN a climate zone where properties are usually subject to duct sealing and testing requirements	18
Right to Farm Act		X		NOT IN a one mile radius of designated Important Farmland.	19
Notice of Mining Operations		X		NOT IN a one mile radius of a mapped mining operation that requires a statutory "Notice of Mining Operation" be provided in this Report.	20



Summary of Disclosure Determinations For ALAMEDA County

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General Advisories	Description	NHD Report page:
Registered Sex Offender Data Base (Megan's Law) Notice	Provides an advisory required pursuant to Section 290.46 of the Penal Code. Information about specified registered sex offenders is made available to the public.	<u>21</u>
Gas and Hazardous Liquid Transmission Pipeline Database Notice	Provides a notice required pursuant to Section 2079.10.5(a) of the Civil Code. Information about transmission pipeline location maps is made available to the public.	<u>22</u>
Methamphetamine Contamination	Provides an advisory that a disclosure may be required pursuant to the "Methamphetamine Contaminated Property Cleanup Act of 2005".	<u>23</u>
Mold	Provides an advisory that all prospective purchasers of residential and commercial property should thoroughly inspect the subject property for mold and sources for additional information on the origins of and the damage caused by mold.	<u>24</u>
Radon	Provides an advisory on the risk associated with Radon gas concentrations.	<u>25</u>
Endangered Species	Provides an advisory on resources to educate the public on locales of endangered or threatened species.	<u>25</u>
Abandoned Mines	Provides an advisory on resources to educate the public on the hazards posed by, and some of the general locales of, abandoned mines.	<u>26</u>
Oil and Gas Wells	Provides an advisory on the potential existence of oil and gas wells and sources for additional general and/or specific information.	<u>26</u>
Tsunami Map Advisory	Provides an advisory about maximum tsunami inundation maps issued for jurisdictional emergency planning.	<u>27</u>
Residential Fireplace Disclosure	Provides disclosure of restrictions on the use of wood-burning fireplaces imposed by the Bay Area Air Quality Management District.	<u>28</u>

Property Tax Determinations	IS	IS NOT	Property is:	Tax Report page:
Mello-Roos Districts	X		SUBJECT TO one or more Mello-Roos Community Facilities Districts.	<u>30</u>
1915 Bond Act Districts		X	NOT SUBJECT TO a 1915 Bond Act District.	<u>30</u>
PACE Contract Assessment		X	NOT SUBJECT TO a PACE Contract Assessment.	<u>30</u>
Other Direct Assessments	X		SUBJECT TO one or more other direct assessments.	<u>32</u>
SRA Fire Prevention Fee		X	NOT SUBJECT TO the State Responsibility Area Fire Prevention Fee (SRA Fee is suspended until 2031 by Assembly Bill 398 of 2017).	<u>37</u>

Determined by First American Professional Real Estate Services, Inc.

For more detailed information as to the foregoing determinations, please read this entire Report.



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Natural Hazard Disclosure Report

Part 1. State Defined Natural Hazard Zones

Statutory Natural Hazard Disclosures

Section 1103 of the California Civil Code mandates the disclosure of six (6) natural hazard zones if the Property is located within any such zone. Those six "statutory" hazard zones, disclosed on the **Natural Hazard Disclosure Statement ("NHDS")** on Page one of this Report, are explained below. Note that the NHDS does not provide for informing buyers if a property is only partially within any of the delineated zones or provide additional flood zone information which could be very important to the process. The following summary is intended to give buyers additional information they may need to help them in the decision-making process and to place the information in perspective.

SPECIAL FLOOD HAZARD AREA

DISCUSSION: Property in a Special Flood Hazard Area (any type of Zone "A" or "V" as designated by the Federal Emergency Management Agency ("FEMA")) is subject to flooding in a "100-year rainstorm." Federally connected lenders require homeowners to maintain flood insurance for buildings in these zones. A 100-year flood occurs on average once every 100 years, but may not occur in 1,000 years or may occur in successive years. According to FEMA, a home located within a SFHA has a 26% chance of suffering flood damage during the term of a 30-year mortgage. Other types of flooding, such as dam failure, are not considered in developing these zones. Flood insurance for properties in Zones B, C, D, X, X500, and X500_Levee is available but is not required.

Zones A, AO, AE, AH, AR, A1-A30: Area of "100-year" flooding - a 1% or greater chance of annual flooding.

Zone A99: An "adequate progress" determination for flood control system construction projects that, once completed, may significantly limit the area of a community that will be included in the Special Flood Hazard Area (SFHA). Such projects reduce but do not eliminate, the risk of flooding to people and structures in "levee-impacted" areas, and allow mandatory flood insurance to be available at a lower cost.

Zones V, V1-V30: Area of "100-year" flooding in coastal (shore front) areas subject to wave action.

Zone B: Area of moderate flood risk. These are areas between the "100" and "500" year flood-risk levels.

Zones C, D: NOT IN an area of "100-year" flooding. Area of minimal (Zone C) or undetermined (Zone D) flood hazard.

Zones X: An area of minimal flood risk. These are areas outside the "500" year flood-risk level.

Zone X500: An area of moderate flood risk. These are areas between the "100" and "500" year flood-risk levels.

Zone X500_LEVEE: An area of moderate flood risk that is protected from "100-year flood" by levee and that is subject to revision to high risk (Zone A) if levee is decertified by FEMA.

Zone N: Area Not Included, no flood zone designation has been assigned or not participating in the National Flood Insurance Program.

Notice: The Company is not always able to determine if the Property is subject to a FEMA Letter of Map Revision ("LOMR") or other FEMA letters of map change. If Seller is aware that the Property is subject to a LOMR or other letters of map change, the Seller shall disclose the map change and attach a copy of the FEMA letter(s) to the Report. Contact FEMA at <http://msc.fema.gov> for additional information.

For more information about flood zones, visit:

http://www.floodsmart.gov/floodsmart/pages/flooding_flood_risks/defining_flood_risks.jsp

PUBLIC RECORD: Official Flood Insurance Rate Maps ("FIRM") compiled and issued by the Federal Emergency Management Agency ("FEMA") pursuant to 42 United States Code §4001, et seq.

AREA OF POTENTIAL FLOODING (DAM FAILURE)

DISCUSSION: Local governmental agencies, utilities, and owners of certain dams are required to prepare and submit inundation maps for review and approval by the California Office of Emergency Services ("OES"). A property within an Area of Potential Flooding Caused by Dam Failure is subject to potential flooding in the event of a sudden and total dam failure with a full reservoir. Such a failure could result in property damage and/or personal injury. However, dams rarely fail instantaneously and reservoirs are not always filled to capacity. Please note that not all dams (such as federally controlled dams) located within the state have been included within these dam inundation zones. Also these maps do not identify areas of potential flooding resulting from storms or other causes.

PUBLIC RECORD: Official dam inundation maps or digital data thereof made publicly available by the State of California Office of Emergency Services ("OES") pursuant to California Government Code §8589.5.



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VERY HIGH FIRE HAZARD SEVERITY ZONE (VHFHSZ)

DISCUSSION: VHFHSZs can be defined by the California Department of Forestry and Fire Protection ("Calfire") as well as by local fire authorities within "Local Responsibility Areas" where fire suppression is the responsibility of a local fire department. Properties located within VHFHS Zones may have a higher risk for fire damage and, therefore, may be subject to (i) additional construction requirements such as a "Class A" roof for new construction or replacement of existing roofs; and (ii) additional maintenance responsibilities such as adequate vegetation clearance near the structure, spark screens on chimneys and stovepipes, leaf removal from roofs, and other basic fire-safety practices. Contact the local fire department for a complete list of requirements and exceptions.

PUBLIC RECORD: Maps issued by Calfire pursuant to California Government Code § 51178 recommending VHFHSZs to be adopted by the local jurisdiction within its Local Responsibility Area, or VHFHSZs adopted by the local jurisdiction within the statutory 120-day period defined in California Government Code § 51179.

WILDLAND FIRE AREA (STATE RESPONSIBILITY AREA)

DISCUSSION: The State Board of Forestry classifies all lands within the State of California based on various factors such as ground cover, beneficial use of water from watersheds, probable damage from erosion, and fire risks. Fire prevention and suppression in all areas which are not within a Wildland - State Responsibility Area ("WSRA") is primarily the responsibility of the local or federal agencies, as applicable.

For property located within a WSRA, please note that (1) there may be substantial forest fire risks and hazards; (2) except for property located within a county which has assumed responsibility for prevention and suppression of all fires, it is NOT the state's responsibility to provide fire protection services to any building or structure located within a WSRA unless the Department has entered into a cooperative agreement with a local agency; and (3) the property owner may be is subject to (i) additional construction requirements such as a "Class A" roof for new construction or replacement of existing roofs; and (ii) additional maintenance responsibilities such as adequate vegetation clearance near the structure, spark screens on chimneys and stovepipes, leaf removal from roofs, and other basic fire-safety practices.

The existence of local agreements for fire service is not available in the Public Record and, therefore, is not included in this disclosure. For very isolated properties with no local fire services or only seasonal fire services there may be significant fire risk. If the Property is located within a WSRA, please contact the local fire department for more detailed information.

PUBLIC RECORD: Official maps issued by the California Department of Forestry and Fire Protection ("Calfire") pursuant to California Public Resources Code § 4125.

SRA Fire Prevention Benefit Fee Advisory

In 2011, the California Legislature and Governor enacted a "Fire Prevention Fee" on habitable structures in the State's wildland fire responsibility area. The yearly fee, levied on property owners, paid for various activities to prevent and suppress wildfires in the SRA, and was most recently at the rate of \$152.33 per habitable structure on the property.

Effective July 1, 2017, as authorized by Assembly Bill 398 and signed by the Governor, that fire prevention fee is suspended until 2031.

For more information, please refer to "Part 6. State Responsibility Area Fire Prevention Fee" in the JCP-LGS Property Tax Report.



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EARTHQUAKE FAULT ZONE

DISCUSSION: Earthquake Fault Zones are delineated and adopted by California as part of the Alquist-Priolo Earthquake Fault Zone Act of 1972. Property in an Earthquake Fault Zone ("EF Zone") does not necessarily have a fault trace existing on the site. EF Zones are areas or bands delineated on both sides of known active earthquake faults. EF Zones vary in width but average one-quarter (1/4) mile in width with the "typical" zone boundaries set back approximately 660 feet on either side of the fault trace. The potential for "fault rupture" damage (ground cracking along the fault trace) is relatively high only if a structure is located directly on a fault trace. If a structure is not on a fault trace, shaking will be the primary effect of an earthquake. During a major earthquake, shaking will be strong in the vicinity of the fault and may be strong at some distance from the fault depending on soil and bedrock conditions. It is generally accepted that properly constructed wood-frame houses are resistant to shaking damage.

PUBLIC RECORD: Official earthquake fault zone or special study zone maps approved by the State Geologist and issued by the California Department of Conservation, California Geological Survey pursuant to California Public Resources Code §2622.

SEISMIC HAZARD MAPPING ACT ZONE

DISCUSSION: Official Seismic Hazard Zone ("SH Zone") maps delineate Areas of Potential Liquefaction and Areas of Earthquake-Induced Landsliding. A property that lies partially or entirely within a designated SH Zone may be subject to requirements for site-specific geologic studies and mitigation before any new or additional construction may take place.

Earthquake-Induced Landslide Hazard Zones are areas where the potential for earthquake-induced landslides is relatively high. Areas most susceptible to these landslides are steep slopes in poorly cemented or highly fractured rocks, areas underlain by loose, weak soils, and areas on or adjacent to existing landslide deposits. The CGS cautions these maps do not capture all potential earthquake-induced landslide hazards and that earthquake-induced ground failures are not addressed by these maps. Furthermore, no effort has been made to map potential run-out areas of triggered landslides. It is possible that such run-out areas may extend beyond the zone boundaries. An earthquake capable of causing liquefaction or triggering a landslide may not uniformly affect all areas within a SH Zone.

Liquefaction Hazard Zones are areas where there is a potential for, or an historic occurrence of liquefaction. Liquefaction is a soil phenomenon that can occur when loose, water saturated granular sediment within 40 feet of the ground surface, are shaken in a significant earthquake. The soil temporarily becomes liquid-like and structures may settle unevenly. The Public Record is intended to identify areas with a relatively high potential for liquefaction but not to predict the amount or direction of liquefaction-related ground displacement, nor the amount of damage caused by liquefaction. The many factors that control ground failure resulting from liquefaction must be evaluated on a site specific basis.

PUBLIC RECORD: Official seismic hazard maps or digital data thereof approved by the State Geologist and issued by the California Department of Conservation, California Geological Survey pursuant to California Public Resources Code §2696.

STATUTORY NATURAL HAZARD DISCLOSURE REPORTING STANDARD: "IN" shall be reported if any portion of the Property is located within any of the above zones as delineated in the Public Record. "NOT IN" shall be reported if no portion of the Property is located within any of the above zones as delineated in the Public Record. Map Not Available shall be reported in areas not yet evaluated by the governing agency according to the Public Record. Please note that "MAP NOT AVAILABLE" will be applicable to most portions of the state. Official Seismic Hazard Zone ("SH Zone") maps delineate Areas of Potential Liquefaction and Areas of Earthquake-Induced Landsliding.



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Part 2. County and City Defined Natural Hazard Zones

HAZARD MAPS IN THE LOCAL GENERAL PLAN

General Plan regulates property development. There are currently over 530 incorporated cities and counties in California. The state Government Code (Sections 65000 et seq.) requires each of those jurisdictions to adopt a comprehensive, long-term "General Plan" for its physical development. That General Plan regulates land uses within the local jurisdiction in order to protect the public from hazards in the environment and conserve local natural resources. The General Plan is the official city or county policy regarding the location of housing, business, industry, roads, parks, and other land uses.

Municipal hazard zones can affect the cost of ownership. Each county and city adopts its own distinct General Plan according to that jurisdiction's unique vegetation, landscape, terrain, and other geographic and geologic conditions. The "Safety Element" (or Seismic Safety Element) of that General Plan identifies the constraints of earthquake fault, landslide, flood, fire and other natural hazards on local land use, and it delineates hazard zones within which private property improvements may be regulated through the building-permit approval process, which can affect the future cost of ownership. Those locally regulated hazard zones are in addition to the federal and state defined hazard zones associated with statutory disclosures in the preceding section.

City and/or County natural hazard zones explained below. Unless otherwise specified, only those officially adopted Safety Element or Seismic Safety Element maps (or digital data thereof) which are publicly available, are of a scale, resolution, and quality that readily enable parcel-specific hazard determinations, and are consistent in character with those statutory federal or state disclosures will be considered for eligible for use as the basis for county- or city-level disclosures set forth in this Report. Please also note:

- If an officially adopted Safety Element or Seismic Safety Element map relies on data which is redundant of that used for state-level disclosures, this Report will indicate so and advise Report recipients to refer to the state-level hazard discussion section for more information.
- If an officially adopted Safety Element or Seismic Safety Element cites underlying maps created by another agency, those maps may be regarded as incorporated by reference and may be used as the basis for parcel-specific determinations if those maps meet the criteria set forth in this section.
- Because county- and city-level maps are developed independently and do not necessarily define or delineate a given hazard the same way, the boundaries for the "same" hazard may be different.

If one or more maps contained in the Safety Element and/or Seismic Safety Element of an officially adopted General Plan are used as the basis for local disclosure, those maps will appear under the "Public Record(s) Searched" for that county or city.

REPORTING STANDARDS

A good faith effort has been made to disclose all hazard features on pertinent Safety Element and Seismic Safety Element maps with well-defined boundaries; however, those hazards with boundaries that are not delineated will be deemed not suitable for parcel-specific hazard determinations. Some map features, such as lines drawn to represent the location of a fault trace, may be buffered to create a zone to facilitate disclosure. Those map features which can not be readily distinguished from those representing hazards may be included to prevent an omission of a hazard feature. If the width of a hazard zone boundary is in question, "IN" will be reported if that boundary impacts any portion of a property. Further explanations concerning specific map features peculiar to a given county or city will appear under the "Reporting Standards" for that jurisdiction.

PUBLIC RECORDS VS. ON-SITE EVALUATIONS

Mapped hazard zones represent evaluations of generalized hazard information. Any specific site within a mapped zone could be at less or more relative risk than is indicated by the zone designation. A site-specific evaluation conducted by a geotechnical consultant or other qualified professional may provide more detailed and definitive information about the Property and any conditions which may or do affect it.

PROPERTY USE AND PERMITTING

No maps beyond those identified as "Public Record(s)" have been consulted for the purpose of these local disclosures. These disclosures are intended solely to make Report recipient(s) aware of the presence of mapped hazards. For this reason -- and because local authorities may use on these or additional maps or data differently to determine property-specific land use and permitting approvals -- Report recipients are advised to contact the appropriate local agency, usually Community Development, Planning, and/or Building, prior to the transaction to ascertain if these or any other conditions or related regulations may impact the Property use or improvement.

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ALAMEDA COUNTY GEOLOGIC DISCUSSION

PUBLIC RECORD(S) SEARCHED: The following Public Records, contained in the Safety Element of the Alameda County General Plan as officially adopted in January 2013, are used for the county-level disclosure(s) below: "S-1: Faults"; "S-2: Liquefaction Risk"; "S-3: Tsunami Risks"; "S-4: Landslide Risks"; and "S-5: Fire Hazards". Important Note: Maps contained in the Safety Element only depict specified hazards within unincorporated portions of Alameda County; however, the cited source data specified in each Safety Element exhibit depicts the location of these same hazards in both incorporated and unincorporated areas of Alameda County. As such, the hazard as depicted in the underlying source data for each hazard depicted in the Public Record shall be used for reporting purposes.

FAULT

Alameda County has been subject to numerous seismic events, originating both on faults within and beyond the County. Six major Bay Area earthquakes have occurred since 1800 that have affected the County, and at least two of the faults that produced them run through or into the County. These earthquakes and the originating faults include the 1836 and 1868 earthquakes on the Hayward-Rogers Creek fault, and the 1861 earthquake on the Calaveras fault. Three earthquakes, in 1838, 1906 and 1989 originated on the San Andreas fault, west of the County near San Francisco or to the south. The Working Group of California Earthquake Probabilities has determined that earthquakes of equally destructive forces are a certainty within the region. According to their findings, the Hayward-Rodgers Creek fault system is estimated to have a probability of 31% of producing an earthquake of a magnitude of 6.7 or higher within the next 30 years, this probability is the highest of the Bay Area faults. Faults that have been active during the Holocene period, approximately the last 11,000 years, are considered to be active faults, and those faults that have been active during the Quaternary period, approximately the last 1.8 million years, are considered to be potentially active faults. This serves to differentiate faults for which sufficient evidence of recent activity has been noted to explicitly include them as known geologic hazards, distinct from those faults for which recent displacement is known or suspected, and whose latest activity has not been determined, but may have been within approximately the last 11,000 years. In addition to faults that have been classified as active or potentially active, there are others whose activity has not been clearly established by presently available information. The Public Record identifies the location of active and potentially active faults within the County. Other active faults within the unincorporated areas include the Calaveras, Greenville, and Las Positas faults, as well as several potentially active faults and unnamed secondary faults adjacent to these faults. There are few or no studies pertaining to these additional secondary faults; therefore it is unknown if these faults may or may not experience secondary ground rupture during a large earthquake.

Reporting Standards: California's Alquist-Priolo Fault Zone Act (1972) established a standard for the width of a regulatory fault zone -- one-eighth of one mile on both sides of an active fault trace. For county-level reporting purposes, "WITHIN" shall be reported if any portion of the Property is within one-eighth of one mile (660 feet) of a "Fault" as delineated in the Public Record that is not bounded by a regulatory fault zone. "NOT WITHIN" shall be reported if no portion of the Property is situated within one-eighth of one mile of a "Fault" delineated in the Public Record.

LANDSLIDE

Landslides and slope instability are generally caused by earthquakes, weak materials, stream and coastal erosion, and heavy rainfall. The rate of landsliding is affected by the type and extent of vegetation, the slope angle, the degree of water saturation, the strength of the rocks, and the mass and thickness of the deposit. Certain human activities also tend to make earth materials less stable and increase the chance of ground failure. Activities contributing to instability include extensive irrigation, poor drainage or ground-water withdrawal, removal of stabilizing vegetation and over-steepening of slopes by undercutting them or overloading them with artificial fill. The causes of failure, which normally produce landslides and differential settlement, are augmented during earthquakes. As a result of these potential risks, construction on slopes steeper than about 15 percent typically requires special grading, special foundation design, or site modification to mitigate slope ground conditions and reduce the potential for slope instability. Threats to structures would be greatest in areas that are close to natural channels or are situated on potentially unstable slopes. The Public Record depicts "landslide deposits larger than 200 feet" as well as "landslide deposits larger than 200 feet (identification uncertain)". According to the Safety Element, site-specific geologic hazard assessments, conducted by a licensed geologist, shall be completed prior to development approval in areas with landslide hazards as indicated in the Public Record.

Reporting Standards: For county-level reporting purposes, "IN" shall be reported if any portion of the Property is located within an area mapped as a "landslide deposit larger than 200 feet" or a "landslide deposit larger than 200 feet (identification uncertain)" as delineated in the Public Record. "NOT IN" shall be reported if no portion of the Property is located within an area mapped as a "landslide deposit larger than 200 feet" or a "landslide deposit larger than 200 feet (identification uncertain)" as delineated in the Public Record.

LIQUEFACTION

Liquefaction is the rapid transformation of saturated, loose, fine-grained sediment to a fluidlike state and is typically caused by strong ground shaking during an earthquake. Liquefaction can result in substantial loss of life, injury, and damage to property. In addition, liquefaction increases the hazard of fires because of explosions induced when underground gas lines break, and because the breakage of water mains substantially reduces fire suppression capability. The potential for liquefaction to occur depends on both the susceptibility of near-surface deposits to liquefaction, and the likelihood that ground motions will exceed

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a specified threshold level. Because many portions of the Planning Area are situated in the vicinity of an active fault, the immediate area surrounding the earthquake epicenter will be exposed to strong ground shaking should a large earthquake occur. Areas most susceptible to liquefaction are underlain by loose granular sediments and low-lying lands adjacent to creeks and estuaries. According to the Safety Element, site-specific geologic hazard assessments, conducted by a licensed geologist, shall be completed prior to development approval in areas with liquefaction hazards as indicated in the Public Record.

Reporting Standards: For county-level reporting purposes, "IN" shall be reported as will the more/most severe "Liquefaction" rating ("Very High", "High", "Moderate", "Low" or "Very Low") affecting any portion of the Property as delineated in the Public Record.

TSUNAMI

A major hazard associated with earthquakes is water inundation resulting from a tsunami or seiche. Tsunamis are a series of waves typically produced by an offshore earthquake, volcanic eruption, or landslide. A tsunami with a wave height of 20 feet at the Golden Gate Bridge, which is likely to occur approximately once every 200 years, would result in a runup of less than 10 feet above sea level on lands surrounding the San Francisco Bay. Some areas of San Lorenzo may be subject to flooding if a tsunami were to occur.

Reporting Standards: For county-level reporting purposes, "IN" shall be reported if any portion of the Property is located within a mapped "Tsunami Inundation Area" as delineated in the Public Record. "NOT IN" shall be reported if no portion of the Property is located within a mapped "Tsunami Inundation Area" as delineated in the Public Record.

FIRE

Fire hazards exist in both developed and undeveloped areas. Those occurring in developed areas typically include buildings, rubbish, automobiles, and grass fires on vacant lots. Those in undeveloped areas often include large brush and grass fires. Alameda County is subject to the threat from urban fires, and especially wildland fires, due to its hilly terrain, weather conditions, and the nature of its plant coverage. Due to the intensity of development, the number of the potentially affected populations, and the difficulties of containment, the County must also devote major resources to controlling potential fire hazards in its urban areas. In order to quantify this potential risk, California Department of Forestry (CDF) has developed a Fire Hazard Severity Scale which utilizes three criteria in order to evaluate and designate potential fire hazards in wildland areas. The criteria are fuel loading (vegetation), fire weather (winds, temperatures, humidity levels and fuel moisture contents) and topography (degree of slope).

Reporting Standards: For county-level reporting purposes, "IN" shall be reported as will the more/most severe "Fire Hazard Severity Zones in SRA" rating ("Very High", "High", or "Moderate") affecting any portion of the Property as delineated in the Public Record. "NOT IN" shall be reported if no portion of the Property is located within one or more of the "Fire Hazard Severity Zones in SRA" as delineated in the Public Record.

OTHER HAZARDS

The "Fire Hazard Severity Zones in LRA" depicted in "S-5: Fire Hazards" are redundant of, or less extensive than, the those current as of the adoption date of the County General Plan and are already subject to statutory disclosure. For more information please refer to the state-level discussion Very High Fire Hazard Severity Zones in the preceding section of this Report. The "Flood Plains" depicted in "S-6: Flood Hazards" are redundant of FEMA DFIRM data effective August 3, 2009 but do not include subsequent updates. For the most current FEMA Flood zone information subject to statutory disclosure please refer to the state-level discussion Special Flood Hazard Areas in the preceding section of this Report. The "Dam Failure Inundation Areas" depicted in "S-7: Dam Inundation" has inundation boundaries redundant of those already subject to statutory disclosure based on maps issued by the California Emergency Management Agency/Office of Emergency Services. For more information please refer to the state-level discussion Area of Potential Flooding (Dam Inundation) in the preceding section of this Report.

The following natural hazards are discussed at length but not mapped in the County Safety Element:

GROUND SHAKING

Ground shaking is the source of the most widespread earthquake damage. An earthquake produces seismic waves that emanate in all directions from the fault rupture surface. The seismic waves cause strong ground shaking, which typically is strongest near the fault and diminishes as the waves move through the earth away from the fault. The severity of ground shaking at a particular site is controlled by the interaction of several factors, including the distance from the earthquake source; earthquake magnitude; the directivity (focusing of earthquake energy along the fault axis rather than perpendicular to the fault); and condition of underlying geologic materials (bedrock, sediment, soils, and man-made fill). Research occurring after the 1989 Loma Prieta earthquake has shown that areas underlain by unconsolidated, or man-made fill may amplify the strength and duration of strong ground motions, increasing the risk of damage. These findings are consistent with earlier evidence suggesting that structures placed on man-made fill are especially susceptible to earthquake hazards. Strong ground shaking caused by fault movement during an earthquake has the potential to result in significant loss of life and property damage throughout the Planning Area. Maximum ground shaking would be expected to result from a large earthquake on one of the nearby active faults, although strong ground shaking may also occur as a result of moderate or large earthquakes on other faults in the San Francisco Bay region.



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Reporting Standards: No determination is reported because the Public Record does not include a map which delineates the boundaries for this hazard within Alameda County.

SURFACE RUPTURE

Surface fault rupture occurs when a movement on a fault deep within the earth breaks through the surface causing ground displacement. Ground rupture occurs along fault lines, and is normally limited to a fairly narrow zone along the trend of the primary fault, and to a lesser degree along secondary faults. The Alquist-Priolo Fault Zoning Act was developed by the State of California to regulate development occurring near active faults and to mitigate the risks associated with surface rupture.

Reporting Standards: No determination is reported because the Public Record does not include a map which delineates the boundaries for this hazard within Alameda County.

SEICHE

A seiche is a long wave set up on an enclosed body of water such as a lake or reservoir that can travel back and forth at regular periods determined by the depth and size of the water body and which can cause shoreline inundation. Seiches are usually caused by unusual tides, winds or currents, but may also be triggered by earthquake ground motion. The largest seiche wave ever measured in the San Francisco Bay, following the 1906 earthquake, was four inches high. Despite this occurrence, the Bay Area has not been adversely affected by seiches during its history within this seismically active region of California. While damage caused by a seiche has not been reported since the 1906 earthquake, the various lakes and reservoirs within the unincorporated areas may be at risk of a seiche in the event of an earthquake.

Reporting Standards: No determination is reported because the Public Record does not include a map which delineates the boundaries for this hazard within Alameda County.



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CITY OF OAKLAND GEOLOGIC ZONES DISCUSSION

PUBLIC RECORD(S) SEARCHED: The following Public Record, contained in the Seismic Safety Element of the General Plan as adopted by the Oakland City Council in 2004, is used for those city-level disclosures below: "Safety Hazards Maps."

FAULT

The City lies within the San Andreas fault system, the largest in California and the one with potential for the strongest earthquakes. More specifically, the city straddles the Hayward Fault, a "branch" fault of the larger system. The Hayward Fault runs along the southwestern base of the East Bay Hills and parallels Highway 13. The Hayward Fault is believed to accumulate strain at one of the highest rates in the Bay Area, suggesting that it is one of the faults in the region most likely to generate a large earthquake.

Reporting Standards: The City's Fault Zones share the same boundaries as those delineated by the California Geological Survey on official Special Studies Zone maps issued pursuant to the Alquist-Priolo Fault Zoning Act. For more information, please see Earthquake Fault Zone discussion contained in this Report.

LANDSLIDE

Landsliding is the rapid down slope movement of soil, rock, and rock debris. Most slides are natural occurrences, though they can be triggered by improper construction activities. The main causes of landslides are earthquake-induced ground shaking, heavy rains, and poorly engineered grading and drainage projects. Factors that determine the extent and severity of a landslide include the steepness of slope, the presence of weak or poorly consolidated soils, the soil's water-content level and existing grading and drainage patterns.

Reporting Standards: The City's Potential Landslide Area shares the same boundaries as earthquake-induced landslides identified on official maps issued by the California Geological Survey pursuant to the Seismic Hazard Mapping Act. For more information, please see Seismic Hazard Mapping Act Zone discussion contained in this Report.

LIQUEFACTION

Liquefaction is the rapid transformation of sediment from a solid state into a fluid state, which causes the soil to lose cohesiveness and become incapable of carrying significant loads; it causes the sediment to behave as quicksand, and results in structures settling, or tipping. Its potential to occur is a function of the intensity of the ground shaking and the underlying geologic conditions.

Reporting Standards: The City's Potential Liquefaction Area shares the same boundaries as areas of potential liquefaction identified on official maps issued by the California Geological Survey pursuant to the Seismic Hazard Mapping Act. For more information, please see Seismic Hazard Mapping Act Zone discussion contained in this Report.

TSUNAMI

Tsunamis are typically generated by large offshore earthquakes, producing waves that reach the coast many hours after the event. Potential flooding from tsunamis would affect low-lying areas along San Francisco Bay and the Oakland Estuary, especially filled area only a few feet above sea level. Areas mapped within the mapped Run-Up Zone represent areas that would most likely be inundated by a tsunami having wave height of 20 feet. Such a tsunami is estimated to arrive at the Golden Gate once every 200 years.

Reporting Standards: If any portion of the Property is situated within a "Tsunami Run-Up Zone" as delineated in the Public Record, "IN" shall be reported.

DAM INUNDATION

Dam Failure Inundation Areas were defined using the assumption of an instantaneous dam failure with the reservoir full to capacity. However, dams rarely fail instantaneously, and reservoirs are not filled to capacity at all times. Dam inundation areas are subject to flooding in the event of a dam failure.

Reporting Standards: If any portion of the Property is situated within a "Dam Failure Inundation Area" as delineated in the Public Record, "IN" shall be reported.

FIRE HAZARD

The City of Oakland has established a Fire Prevention and Assessment District for hillside areas of the city for funding fire-safety inspections of private properties, vegetation management, roving fire fighter patrols on high fire-hazard days, public education, goat grazing and other services. More information regarding compliance standards and frequently asked questions can be found at: <http://www.oaklandnet.com/government/cmo/wildfireprevention.htm> .

END OF LOCAL AREA DISCLOSURES AND DISCUSSIONS SECTION



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Part 3. Additional Property Specific Disclosures

FORMER MILITARY ORDNANCE SITE DISCLOSURE

DISCUSSION: Former Military Ordnance (FUD) sites can include sites with common industrial waste (such as fuels), ordnance or other warfare materiel, unsafe structures to be demolished, or debris for removal. California Civil Code Section 1102 requires disclosure of those sites containing unexploded ordnance. "Military ordnance" is any kind of munitions, explosive device/material or chemical agent used in military weapons. Unexploded ordnance are munitions that did not detonate. **NOTE: MOST** FUD sites do not contain unexploded ordnance. Only those FUD sites that the U.S. Army Corps of Engineers (USACE) has identified to contain Military Ordnance or have mitigation projects planned for them are disclosed in this Report. Additional sites may be added as military installations are released under the Federal Base Realignment and Closure (BRAC) Act. Active military sites are NOT included on the FUD site list.

PUBLIC RECORD: Data contained in Inventory Project Reports, Archives Search Reports, and related materials produced for, and made publicly available in conjunction with, the Defense Environmental Restoration Program for Formerly Used Defense Sites by the U.S. Army Corps of Engineers. Sites for which no map has been made publicly available shall not be disclosed.

REPORTING STANDARD: If one or more facility identified in the Public Record is situated within a one (1) mile radius of the Property, "WITHIN" shall be reported. The name of that facility or facilities shall also be reported.

COMMERCIAL OR INDUSTRIAL ZONING DISCLOSURE

DISCUSSION: The seller of real property who has actual knowledge that the property is affected by or zoned to allow commercial or industrial use described in Section 731a of the Code of Civil Procedure shall give written notice of that knowledge to purchasers as soon as practicable before transfer of title (California Civil Code Section 1102.17). The Code of Civil Procedure Section 731a defines industrial use as areas in which a city and/or county has established zones or districts under authority of law wherein certain manufacturing or commercial or airport uses are expressly permitted. The "Zoning Disclosure" made in this Report DOES NOT purport to determine whether the subject property is or is not affected by a commercial or industrial zone. As stated above, that determination is based solely upon ACTUAL KNOWLEDGE of the seller of the subject property.

In an effort to help determine areas where this may be applicable, this disclosure identifies if a property exists within one mile of the seller's property that is zoned to allow for commercial or industrial use. Very commonly, a home will have in its vicinity one or more properties that are zoned for commercial or industrial use such as restaurants, gasoline stations, convenience stores, golf courses, country club etc.

PUBLIC RECORD: Based on publicly-available hardcopy and/or digital zoning and land use records for California cities and counties.

REPORTING STANDARD: If one or more property identified in the Public Record as "commercial," "industrial," or "mixed use" is situated within a one (1) mile radius of the Property, "WITHIN" shall be reported. Please note that an airport facility that may be classified as public use facility in the Public Record will be reported as "commercial/industrial" in this disclosure.



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AIRPORT INFLUENCE AREA DISCLOSURE

DISCUSSION:

Certain airports are not disclosed in this Report. JCP-LGS has made a good faith effort to identify the airports covered under Section 1102.6a. Sources consulted include official land use maps and/or digital data made available by a governing Airport Land Use Commission (ALUC) or other designated government body. Most facilities for which an Airport Influence Area has been designated are included on the "California Airports List" maintained by the California Department of Transportation's Division of Aeronautics. Not disclosed in this Report are public use airports that are not in the "California Airports List", airports that are physically located outside California, heliports and seaplane bases that do not have regularly scheduled commercial service, and private airports or military air facilities unless specifically identified in the "California Airports List". **If the seller has actual knowledge of an airport in the vicinity of the subject property that is not disclosed in this Report, and that is material to the transaction, the seller should disclose this actual knowledge in writing to the buyer.**

Most facilities for which an Airport Influence Area has been designated are included on the "California Airports List" maintained by the California Department of Transportation's Division of Aeronautics. The inclusion of military and private airports varies by County, and heliports and seaplane bases are not included, therefore, airports in these categories may or may not be included in this disclosure.

NOTE: Proximity to an airport does not necessarily mean that the property is exposed to significant aviation noise levels. Alternatively, there may be properties exposed to aviation noise that are greater than two miles from an airport. Factors that affect the level of aviation noise include weather, aircraft type and size, frequency of aircraft operations, airport layout, flight patterns or nighttime operations. Buyer should be aware that aviation noise levels can vary seasonally or change if airport usage changes.

PUBLIC RECORD: Based on officially adopted land use maps and/or digital data made publicly available by the governing ALUC or other designated government body. If the ALUC or other designated government body has not made publicly available a current officially adopted airport influence area map, then California law states that "a written disclosure of an airport within two (2) statute miles shall be deemed to satisfy any city or county requirements for the disclosure of airports in connection with transfers of real property."

REPORTING STANDARD: "IN" shall be reported along with the facility name(s) and the "Notice of Airport in Vicinity" if any portion of the Property is situated within either (a) an Airport Influence Area as designated on officially adopted maps or digital data or (b) a two (2) mile radius of a qualifying facility for which an official Airport Influence Area map or digital data has not been made publicly available by the ALUC or other designated governing body. "NOT IN" shall be reported if no portion of the Property is within either area.



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AIRPORT NOISE DISCLOSURE

DISCUSSION: California Civil Code §1102.17 requires the seller(s) of residential real property who has/have actual knowledge that the property in the transaction is affected by airport use must give written notice of that knowledge, as soon as practicable, before transfer of title.

Under the Federal Aviation Administration's *Airport Noise Compatibility Planning Program Part 150*, certain 65 decibel (dB) Community Noise Equivalent Level (CNEL) contour maps have been produced for some airports. Not all airports have produced noise exposure maps. A property may be near or at some distance from an airport and not be within a delineated noise exposure area, but still experience aviation noise. Unless 65dB CNEL contour maps are published, helipads and military sites are not included in this section of the Report.

The *Airport Noise Compatibility Planning Program* is voluntary and not all airports have elected to participate. Furthermore, not all property in the vicinity of an airport is exposed to 65dB CNEL or greater average aviation noise levels. Conversely a property may be at some distance from an airport and still experience aviation noise. Buyer should be aware that aviation noise levels can vary seasonally or change if airport usage changes after a map is published or after the Report Date. JCP-LGS uses the most seasonally conservative noise exposures provided.

Federal funding may be available to help airports implement noise reduction programs. Such programs vary and may include purchasing properties, rezoning, and insulating homes for sound within 65dB areas delineated on CNEL maps. Airport owners have also cooperated by imposing airport use restrictions that include curfews, modifying flight paths, and aircraft limitations.

PUBLIC RECORD: Certain 65 decibel (dB) Community Noise Equivalent Level (CNEL) contour maps produced under the Federal Aviation Administration's *Airport Noise Compatibility Planning Program Part 150*.

REPORTING STANDARD: "IN" shall be reported if any portion of the Property is situated within a 65 decibel Community Noise Equivalent Level contour identified in the Public Record. "NOT IN" shall be reported if no portion of the Property is situated within a 65 decibel Community Noise Equivalent Level contour identified in the Public Record.



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SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION DISCLOSURE

DISCUSSION: As of July 1, 2005, Civil Code §1103.4 mandates disclosure to buyers of certain real estate if the boundary of the property is determined to be (1) within 100 feet of the San Francisco Bay shoreline as mapped in 1997 by the National Ocean Survey (NOS), an agency of the National Oceanographic and Atmospheric Administration (NOAA); or (2) within another mapped zone established by the Bay Conservation and Development Commission (BCDC). The BCDC has regulatory jurisdiction within 100 feet inland from the point of "mean higher high water" as mapped by the NOS, and within other zones the agency has defined along the San Francisco Bay margin (BCDC Memo entitled "Guidance on Determining Commission Jurisdiction Pursuant to Senate Bill 1568").

Notice is required to prevent unknowing violations of the law by new owners who were unaware that certain activities on the real property are subject to the BCDC's permit requirements. The BCDC notes that the Bay is a highly dynamic environment and the shoreline changes over time (see Discussion below). In addition, there is inherent uncertainty in the shoreline position as mapped by the NOS or any agency. The BCDC advises the buyer and other interested parties to contact its office if a more authoritative jurisdictional determination is desired. The BCDC office is located at 50 California Street, Suite 2600, San Francisco, California 94111, and can be reached at (415) 352-3600, or by email to info@bcdc.ca.gov

The BCDC has issued maps for some parts of its jurisdiction, including the San Francisco Bay Plan maps (California Code of Regulations, Title 14, Section 10121) and the Suisun Marsh Plan maps (Nejedly-Bagley-Z'berg Suisun Marsh Preservation Act of 1974). Official maps have not been issued for other parts of the BCDC jurisdiction (McAteer-Petris Act areas) because the Bay is a highly dynamic environment and the shoreline changes over time (in part because the sea level also changes over time). In those areas where official BCDC maps are not available or along the edges of the BCDC's mapped jurisdiction, to meet the disclosure requirements, this Report will indicate that the property "could be within" the BCDC's jurisdiction and that a location-specific jurisdictional determination should be made by consulting the BCDC. This determination of "could be within" the BCDC's jurisdiction was recommended by the BCDC in that certain Memo entitled "Guidance on Determining Commission Jurisdiction Pursuant to Senate Bill 1568" issued in February 2005 and posted on the BCDC website.

PUBLIC RECORDS: San Francisco Bay Plan maps (California Code of Regulations, Title 14, Section 10121) and the Suisun Marsh Plan maps (Nejedly-Bagley-Z'berg Suisun Marsh Preservation Act of 1974) made publicly available by BCDC and that certain Memo entitled "Guidance on Determining Commission Jurisdiction Pursuant to Senate Bill 1568" issued by BCDC in February 2005 and posted on the BCDC website ("BCDC Memo").

REPORTING STANDARD: "WITHIN" shall be reported if any portion of the Property is situated within an areas mapped by BCDC or is within the 100-foot shoreline band. "COULD BE WITHIN" shall be reported if any portion of the Property is situated within one-quarter (1/4) mile of either an area mapped by BCDC or the 100-foot shoreline band. "NOT WITHIN" shall be reported if no portion of the Property is situated within an area that would otherwise be reported as either "WITHIN" or "COULD BE WITHIN".



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CALIFORNIA ENERGY COMMISSION DUCT SEALING & TESTING REQUIREMENT

DISCUSSION: According to the California Energy Commission ("CEC") most California homes have improperly sealed central air conditioning and heating system ducts such that approximately 30 percent of the conditioned air actually leaks outside the home.

Effective July 1, 2014, in order to combat this waste of energy and money, the CEC updated its residential duct sealing and testing requirements in the 2013 Building Energy Efficiency Standards (Title 24). Previously, such duct sealing and testing was required only in certain CEC-designated climate zones when a central air conditioner or furnace is installed or replaced. **The revised standards now make duct sealing and testing mandatory in all California climate zones when such a system is installed or replaced.** Ducts found to leak more than 15 percent or more must be repaired. Once a contractor tests and fixes these ducts, you must have an approved third-party verifier determine that the ducts have been properly sealed. The CEC cautions homeowners that a contractor who fails to obtain a required building permit and fails to test and repair your ducts "is violating the law and exposing you to additional costs and liability." If you do not obtain a permit, you may be required to bring your home into compliance with code requirements for that work and may incur additional penalties and fines that have to be paid prior to selling your home. Remember that you have a duty to disclose whether you obtained required permits for work performed to prospective Buyers and appraisers. Local governments may mandate more stringent requirements.

Please note there are specific alternatives that allow high efficiency equipment and added duct insulation to be installed instead of fixing duct leaks. Please also be advised that there are separate regulations which govern duct insulation levels required by climate zone and HVAC system.

For more information please contact the California Energy Commission or visit the official CEC "2013 Building Energy Efficiency Standards" portal at: <http://www.energy.ca.gov/title24/2013standards/index.html>

PUBLIC RECORD: 2013 Building Energy Efficiency Standards (Title 24).

REPORTING STANDARD: "WITHIN" shall be reported regardless of CEC-designated climate zone pursuant to the revised Title 24 Standards.

COOLING AND HEATING ENERGY-EFFICIENCY ADVISORY

Effective January 1, 2015, new federal energy-efficiency standards apply to the repair and replacement of residential heating, ventilation and air conditioning ("HVAC") systems. The new standards raise the minimum efficiency requirements for air conditioning systems and certain types of heating systems. Energy efficiency is measured by the Seasonal Energy Efficiency Ratio ("SEER"), which compares the amount of cooling (or heating) output by an HVAC system to the amount of energy (electricity or gas) input over its operating season. The higher the system's SEER value, the more energy-efficient it is and the lower the unit cost of cooling (or heating) a home.

For the first time, federal minimum-efficiency standards will vary by region. Prior to 2015 one standard, called SEER 13, applied nationwide. Now, in California, Nevada, Arizona and New Mexico (the Southwestern Region), SEER 13 has been replaced by the more efficient SEER 14 standard. In the Southwestern Region the new rule allows repairs to existing SEER 13-compliant systems. However, in many cases a full system replacement (both the indoor and outdoor unit) will be necessary to make the system compatible, and replacement is allowed only with a SEER 14-compliant unit. The higher standard may increase the replacement cost to the property owner because the SEER 14 efficiency improvements require increased complexity of the new equipment, and the SEER 14 units may not fit in the existing space, requiring structural modifications at the owner's expense. In some cases the SEER 14 standard could double the cost of replacement over the earlier replacement cost. For applicable details and codes, see the California Energy Commission web page at: http://www.energy.ca.gov/title24/2013standards/residential_manual.html (The new federal standards go into effect on January 1, 2015, which is six months after the July 1, 2014, effective date of the 2013 Standards.) Federal energy-efficiency standards are updated from time to time. To determine the current applicable federal standard inquire with a home inspector or other appropriately licensed professional.



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STATEWIDE RIGHT TO FARM DISCLOSURE

DISCUSSION:

California has a "Right to Farm Act" (Civil Code Section 3482.5) to protect farming operations. When agricultural land within the State's agricultural areas is bought and sold, the purchasers are often not made aware of the fact that there are right-to-farm laws. This has led to confusion and a misunderstanding of the actual uses of the land or uses of the surrounding agricultural lands.

In 2008 the State of California enacted Assembly Bill 2881 to limit the exposure of farmers to nuisance lawsuits by homeowners in neighboring developments. The mechanism of this bill is a formal notification of the Buyer, through a "Notice of Right to Farm" in an expert disclosure report that advises the Buyer if the subject property is within one mile of farmland as defined in the bill.

If the seller has actual knowledge of an agricultural operation in the vicinity of the subject property that is not disclosed in this Report, and that is material to the transaction, the seller should disclose this actual knowledge in writing to the Buyer.

PUBLIC RECORD: Based on the most current available version of the "Important Farmland Map" issued by the California Department of Conservation, Division of Land Resource Protection, utilizing solely the county-level GIS map data, if any, available on the Division's Farmland Mapping and Monitoring Program website, pursuant to Section 11010 of the Business and Professions Code, and Section 1103.4 of the California Civil Code.

REPORTING STANDARD: "IN" shall be reported and the "Notice of Right to Farm" provided if any portion of the Property is situated within, or within one mile of, a parcel of real property designated as "Prime Farmland," "Farmland of Statewide Importance," "Unique Farmland," "Farmland of Local Importance," or "Grazing Land" in the public record. "NOT IN" shall be reported if no portion of the Property is within that area.

Some counties, or parts thereof, are not included in the Public Record because they have not been mapped for farmland parcels under this State program. Typically, this is because the county area is public land and not planned for incorporation, or, in the case of San Francisco, the county is entirely incorporated. In those instances, we report "Map Not Available" above, or "Map N/A" in the table of summary determinations at the beginning of this Report.



JCP-LGS Residential Resale Property Disclosure Reports

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OAKLAND, ALAMEDA COUNTY, CA 94602
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NOTICE OF MINING OPERATIONS DISCLOSURE

If the Property has been determined to be located within one (1) mile of a reported mining operation(s), the following notice is provided as mandated by California law:

NOTICE OF MINING OPERATIONS

This property is located within one mile of a mine operation for which the mine owner or operator has reported mine location data to the Department of Conservation pursuant to Section 2207 of the Public Resources Code. Accordingly, the property may be subject to inconveniences resulting from mining operations. You may wish to consider the impacts of these practices before you complete your transaction.

DISCUSSION: Historically mining operations have been located in remote areas. However, increasing urbanization has resulted in some residential projects being developed near existing mining operations.

California Public Resources Code §2207 requires owners and operators of mining operations to provide annually specific information to the California Department of Conservation ("DOC"), including but not limited to, (i) ownership and contact information, and (ii) the latitude, longitude, and approximate boundaries of the mining operation marked on a specific United States Geological Survey map. The Office of Mining Reclamation ("OMR") is a division of the DOC. Using the mandatory data specified above, OMR provides map coordinate data that can be used by GIS systems to create points representing mine locations ("OMR Maps"). For more information please visit OMR's Mines OnLine Map Viewer (<http://maps.conservation.ca.gov/mol/index.html>).

Effective January 1, 2012, California Civil Code §1103.4 requires the seller of residential property to disclose to a Buyer if the residential property is located with one (1) mile of mining operations as specified on OMR Maps.

Special Notes:

1. This statutory disclosure does not rely on the OMR's "AB 3098 List," a list of mines regulated under the Surface Mining and Reclamation Act of 1975 ("SMARA") that meet provisions set forth under California Public Resources Code §2717(b). The AB 3098 List does not include map coordinate data as required under California Public Resources Code §2207 and may not include all mining operations subject to the "Notice of Mining Operations" disclosure.

2. This "Notice of Mining Operations" disclosure is not satisfied by disclosing abandoned mines. An abandoned mine is NOT an operating mine. California Civil Code §1103.4 is satisfied only by disclosing based on OMR Maps.

PUBLIC RECORD: Mining operations as provided on OMR Maps made publicly available by DOC pursuant to California law.

REPORTING STANDARD: "IN" is reported if any portion of the Property is located within a one (1) mile radius of one or more mining operation(s) identified in the Public Record for which map coordinate data is provided. If "IN", the name of the mining operation(s) as it appears in the Public Record is also reported. "NOT IN" is reported if no portion of the Property is located within a one (1) mile radius of a mining operation specified on OMR Maps.



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Part 4. General Advisories

REGISTERED SEX OFFENDER DATABASE DISCLOSURE REQUIREMENT ("MEGAN'S LAW")

Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

DISCUSSION: California law (AB 488), signed by the Governor on September 24, 2004, provides the public with Internet access to detailed information on registered sex offenders. The Sex Offender Tracking Program of the California Department of Justice (DOJ) maintains the database of the locations of persons required to register pursuant to paragraph (1) of subdivision (a) of Section 290.46 of the Penal Code. The online database is updated with data provided by local sheriff and police agencies on an ongoing basis. It presents offender information in 13 languages; may be searched by a sex offender's specific name, zip code, or city/county; provides access to detailed personal profile information on each registrant; and includes a map of your neighborhood.

California Department of Justice Information Sources:

Megan's Law Sex Offender Locator Web Site: <http://www.meganslaw.ca.gov>

California Department of Justice Megan's Law Email Address: meganslaw@doj.ca.gov

Local Information Locations For The Property:

All sheriff's departments and every police department in jurisdictions with a population of 200,000 or more are required to make a CD-ROM available free to the public for viewing. Although not required, many other law enforcement departments in smaller jurisdictions make the CD-ROM available as well. Please call the local law enforcement department to investigate availability.

The following are the law enforcement departments in your county that are REQUIRED to make information available:

Alameda County Sheriff's Department	(510) 667-3190
Fremont Police Department	(510) 790-6860
Oakland Police Department	(510) 238-2188

Explanation and How to Obtain Information

For over 50 years, California has required certain sex offenders to register with their local law enforcement agencies. However, information on the whereabouts of the sex offenders was not available to the public until implementation of the Child Molester Identification Line in July 1995. The available information was expanded by California's "Megan's Law" in 1996 (Chapter 908, Stats. of 1996). Megan's Law provides certain information on the whereabouts of "serious" and "high-risk" sex offenders. The law specifically prohibits using the information to harass or commit any crime against the offender. The information on a registered sex offender includes: name and known aliases; age and sex; physical description, including scars, marks and tattoos; photograph, if available; crimes resulting in registration; county of residence; and zip code (from last registration). Accessing the online database requires agreement to the DOJ's terms of use on the web page.



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GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINE DATABASE DISCLOSURE REQUIREMENT

DISCUSSION: Following a number of pipeline disasters in the U.S., such as the 2010 San Bruno explosion in Northern California, there is an increased awareness of the potential dangers associated with underground transmission pipelines. As a result, the California Legislature unanimously passed Assembly Bill 1511 (Bradford), signed by Governor Jerry Brown on July 13, 2012. This law, which becomes effective January 1, 2013, is chaptered as California Civil Code Section 2079.10.5 and mandates the disclosure of the following notice to Buyers:

NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES

This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site. (California Civil Code Section 2079.10.5(a))

Civil Code Section 2079.10.5(c) adds, "Nothing in this section shall alter any existing duty under any other statute or decisional law imposed upon the seller or broker, including, but not limited to, the duties of a seller or broker under this article, or the duties of a seller or broker under Article 1.5 (commencing with Section 1102) of Chapter 2 of Title 4 of Part 4 of Division 2."

Such "existing duties" include the disclosure of actual knowledge about a potential hazard, such as may be created by the delivery of a letter from the local utility company informing the seller that a gas transmission pipeline exists within 2,000 feet of the Property.

Beginning on the law's January 1, 2013, effective date, except where such "existing duties" apply, "Upon delivery of the notice to the transferee of the real property, the seller or broker is not required to provide information in addition to that contained in the notice regarding gas and hazardous liquid transmission pipelines in subdivision (a). The information in the notice shall be deemed to be adequate to inform the transferee about the existence of a statewide database of the locations of gas and hazardous liquid transmission pipelines and information from the database regarding those locations." (California Civil Code Section 2079.10.5(b))

The disclosure of underground transmission pipelines helps the parties in a real estate transaction make an informed decision and is in the best interest of the public. Buyer should be aware that, according to the NPMS Internet Web site, gas and/or hazardous liquid transmission pipelines are known to exist in 49 of California's 58 counties, the exceptions being in rural mountainous parts of the state. Every home that utilizes natural gas is connected to a gas "distribution" pipeline, which is generally of smaller size and lower pressure than a transmission pipeline.

For More Information

To investigate whether any pipeline easement (right-of-way) exists on the Property, Buyer should review the Preliminary Title Report. Buyer should consult an attorney for interpretation of any law. This notice is for information purposes only and should not be construed as legal advice.



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METHAMPHETAMINE CONTAMINATED PROPERTY DISCLOSURE ADVISORY

DISCUSSION: According to the "Methamphetamine Contaminated Property Cleanup Act of 2005" a property owner must disclose in writing to a prospective buyer if local health officials have issued an order prohibiting the use or occupancy of a property contaminated by meth lab activity. The owner must also give a copy of the pending order to the buyer to acknowledge receipt in writing. Failure to comply with these requirements may subject an owner to, among other things, a civil penalty up to \$5,000. Aside from disclosure requirements, this new law also sets forth procedures for local authorities to deal with meth-contaminated properties, including the filing of a lien against a property until the owner cleans up the contamination or pays for the cleanup costs.



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MOLD ADVISORY

DISCUSSION: The Buyer is hereby advised that naturally occurring molds may exist both inside and outside of any home and may not be visible to casual inspection. Persons exposed to extensive mold levels can become sensitized and develop allergies to the mold or other health problems. Extensive mold growth can damage a structure and its contents. All prospective purchasers of residential and commercial property are advised to thoroughly inspect the Property for mold. Be sure to inspect the Property inside and out for sources of excess moisture, current water leaks and evidence of past water damage.

As part of a buyer's physical inspection of the condition of a property, the buyer should consider engaging an appropriate and qualified professional to inspect and test for the presence of harmful molds and to advise the buyer of any potential risk and options available. This advisory is not a disclosure of whether harmful mold conditions exist at a property or not. No testing or inspections of any kind have been performed by The Company. Any use of this form is acknowledgement and acceptance that The Company does not disclose, warrant or indemnify mold conditions at a property in any way and is not responsible in any way for mold conditions that may exist. Information is available from the California Department of Health Services Indoor Air Quality Section fact sheet entitled, "Mold in My Home: What Do I Do?" The fact sheet is available at <https://archive.cdph.ca.gov/programs/IAQ/Pages/IndoorMold.aspx> or by calling (510) 620-3620.

The Toxic Mold Protection Act of 2001 requires that information be developed regarding the potential issues surrounding naturally occurring molds within a home. Information was written by environmental authorities for inclusion in the *Residential Environmental Hazards: A Guide for Homeowners, Buyers, Landlords and Tenants* booklet developed by the California Environmental Protection Agency and the Department of Health Services. It is found in Chapter VII of that booklet, and includes references to sources for additional information.

For local assistance, contact your county or city Department of Health, Housing, or Environmental Health.



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RADON ADVISORY

DISCUSSION: For its Radon Advisory, JCP-LGS uses the updated assessment of radon exposure published in 1999 by the Lawrence Berkeley National Laboratory (LBNL) and Columbia University, under support from the U.S. Environmental Protection Agency (EPA), the National Science Foundation, and the US Department of Energy (published online at <http://www2.lbl.gov/Science-Articles/Archive/radon-risk-website.html>). Based on this recent assessment, JCP-LGS radon advisory is as follows:

All of California's 58 counties have a predicted median annual-average living-area concentration of radon below 2.0 pCi/L (picocuries per liter of indoor air) -- which is well below the EPA's guideline level of 4 pCi/L and equivalent to the lowest hazard zone (Zone 3) on the 1993 EPA Map of Radon Zones.

The "median concentration" means that half of the homes in a county are expected to be below this value and half to be above it. All houses contain some radon, and a few houses will contain much more than the median concentration. **The only way to accurately assess long-term exposure to radon in a specific house is through long-term testing (sampling the indoor air for a year or more). The EPA recommends that all homes be tested for radon.** Columbia University's "Radon Project" website offers help to homeowners in assessing the cost vs. benefit of testing a specific house for radon or modifying it for radon reduction (see <http://www.stat.columbia.edu/~radon/>).

NOTE: JCP-LGS does not use the EPA's 1993 map for advisory purposes because that map shows "short-term" radon exposure averaged by county. It was based on "screening measurements" that were intentionally designed to sample the worst-case conditions for indoor air in US homes--using spot checks (sampling for just a few days), in the poorest air quality (with sealed doors and windows), at the worst time of the year (winter), in the worst part of the house (the basement, if one was available). These short-term, winter, basement measurements are both biased and variable compared to long-term radon concentrations (averaged over a year) in the living area of a house. Long-term concentrations are a more accurate way to judge the long-term health risk from radon. For the above reasons, the EPA expressly disclaims the use of its 1993 map for determining whether any house should be tested for radon, and authorizes no other use of its map for property-specific purposes. For additional information about EPA guidelines and radon testing, see "Chapter VII--Radon", in the California Department of Real Estate's *Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants*.

ENDANGERED SPECIES ACT ADVISORY

DISCUSSION: The Federal Endangered Species Act of 1973 ("ESA"), as amended, requires that plant and animal species identified and classified ("listed") by the Federal government as "threatened" or "endangered" be protected under U.S. law. Areas of habitat considered essential to the conservation of a listed species may be designated as "critical habitat" and may require special management considerations or protection. All threatened and endangered species -- even if critical habitat is not designated for them -- are equally afforded the full range of protections available under the ESA.

In California alone, over 300 species of plants and animals have been designated under the ESA as threatened or endangered, and over 80 species have critical habitats designated for them. Most California counties are host to a dozen or more protected species and, in many cases, 10 or more species have designated critical habitats within a county.

ADVISORY: An awareness of threatened and endangered species and/or critical habitats is not reasonably expected to be within the actual knowledge of a seller.

No federal or state law or regulation requires a seller or seller's agent to disclose threatened or endangered species or critical habitats, or to otherwise investigate their possible existence on real property. Therefore, Buyer is advised that, prior to purchasing a vacant land parcel or other real property, Buyer should consider investigating the existence of threatened or endangered species, or designated critical habitats, on or in the vicinity of the Property which could affect the use of the Property or the success of any proposed (re)development.

FOR MORE INFORMATION: Complete and current information about the threatened and endangered species in California that are Federally listed in each county -- including all critical habitats designated there -- is available on the website of the U.S. Fish & Wildlife Service, the Federal authority which has enforcement responsibility for the ESA.

U.S. Fish & Wildlife Service Endangered Species Database (TESS)

http://ecos.fws.gov/tess_public/



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ABANDONED MINES ADVISORY

DISCUSSION: According to the California Department of Conservation, Office of Mine Reclamation, since the Gold Rush of 1849, tens of thousands of mines have been dug in California. Many were abandoned when they became unproductive or unprofitable. The result is that California's landscape contains many thousands of abandoned mines, which can pose health, safety, or environmental hazards on and around the mine property. Mines can present serious physical safety hazards, such as open shafts or adits (mine tunnel), and they may create the potential to contaminate surface water, groundwater, or air quality. Some abandoned mines are such massive problems as to earn a spot on the Federal Superfund environmental hazard list.

No California law requires the disclosure of abandoned mines in a real estate transaction, unless the existence of an abandoned mine is within the actual knowledge of the Seller and is deemed to be a fact material to the transaction.

The Office of Mine Reclamation (OMR) and the U.S. Geological Survey maintain a database of abandoned mines -- however, it is known to be incomplete and based on maps that are often decades out of date. Many mines are not mapped because they are on private land. The OMR warns that, *"Many old and abandoned mines are not recorded in electronic databases, and when they are, the information may not be detailed enough to accurately define, differentiate or locate the mine feature, such as a potentially hazardous vertical shaft or horizontal adit or mine waste."* (See reference below.)

Accordingly, this Report does not contain an abandoned mines disclosure from any government database or map or any other source, in order to protect the seller from liability for non-disclosure of unrecorded abandoned mines.

Parties concerned about the possible existence or impact of abandoned mines in the vicinity of the Property are advised to retain a State-licensed geotechnical consultant to study the site and issue a report. Other sources of information include, but are not limited to, the State Office of Mine Reclamation at (916) 323-9198 (website: <http://www.conservation.ca.gov/OMR>), and the Engineering, Planning or Building Departments in the subject City and County.

FOR MORE INFORMATION: For more information visit the State Office of Mine Reclamation's website at: http://www.conservation.ca.gov/omr/abandoned_mine_lands/Pages/index.aspx

OIL & GAS WELL ADVISORY

California is currently ranked fourth in the nation among oil producing states. Surface oil production is concentrated mainly in the Los Angeles Basin and Kern County, and in districts elsewhere in the state. In recent decades, real estate development has rapidly encroached into areas where oil production has occurred. Because the state's oil production has been in decline since the 1980's, thousands of oil and gas wells have been shut down or abandoned, and many of those wells are in areas where residential neighborhoods now exist.

According to the California Department of Conservation ("DOC"), to date, about 230,000 oil and gas wells have been drilled in California and around 105,000 are still in use. The majority of remaining wells have been sealed ("capped") under the supervision of the DOC's Division of Oil, Gas and Geothermal Resources. A smaller number have been abandoned and have no known responsible operator -- these are called "orphan" wells. The state has a special fund that pays the cost of safely capping orphan wells, however, that program is limited in its scope and progress.

Buyer should be aware that, while the DOC database is the most comprehensive source available for California oil and gas well information, the DOC makes no warranties that the database is absolutely complete, or that reported well locations are known with absolute accuracy.

For More Information

For a search of the state's databases of oil and gas wells and sites of known environmental contamination on or near the Property, please obtain the JCP-LGS Residential Environmental Report. For general information, visit the California Department of Conservation, Division of Oil, Gas, and Geothermal Resources at <http://www.consrv.ca.gov/dog>.



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TSUNAMI MAP ADVISORY

DISCUSSION: The California Emergency Management Agency (CalEMA), the University of Southern California Tsunami Research Center (USC), and the California Geological Survey (CGS) have prepared maps that depict areas of maximum tsunami inundation for all populated areas at risk to tsunamis in California (20 coastal counties). The maps were publicly released in December 2009 with the stated purpose that the maps are to assist cities and counties in identifying their tsunami hazard and developing their coastal evacuation routes and emergency response plans only.

These maps specifically contain the following disclaimer:

Map Disclaimer: This tsunami inundation map was prepared to assist cities and counties in identifying their tsunami hazard. It is intended for local jurisdictional, coastal evacuation planning uses only. This map, and the information presented herein, **is not a legal document and does not meet disclosure requirements for real estate transactions nor for any other regulatory purpose.** The California Emergency Management Agency (CalEMA), the University of Southern California (USC), and the California Geological Survey (CGS) make no representation or warranties regarding the accuracy of this inundation map nor the data from which the map was derived. Neither the State of California nor USC shall be liable under any circumstances for any direct, indirect, special, incidental or consequential damages with respect to any claim by any user or any third party on account of or arising from the use of this map.

A tsunami is a series of ocean waves or surges most commonly caused by an earthquake beneath the sea floor. These maps show the maximum tsunami inundation line for each area expected from tsunamis generated by undersea earthquakes and landslides in the Pacific Ocean. Because tsunamis are rare events in the historical record, the maps provide no information about the probability of any tsunami affecting any area within a specific period of time.

Although these maps may not be used as a legal basis for real estate disclosure or any other regulatory purpose, the CGS has, however, provided diagrams of the maps online which the public can view. To see a maximum tsunami inundation map for a specific coastal community, or for additional information about the construction and/or intended use of the tsunami inundation maps, visit the websites below:

State of California Emergency Management Agency, Earthquake and Tsunami Program:
<http://myhazards.calema.ca.gov/>

University of Southern California -- Tsunami Research Center:
<http://www.usc.edu/dept/tsunamis/2005/index.php>

State of California Geological Survey Tsunami Information:
http://www.conservation.ca.gov/cgs/geologic_hazards/Tsunami/index.htm

National Oceanic and Atmospheric Agency Center for Tsunami Research (MOST model):
<http://nctr.pmel.noaa.gov/time/background/models.html>

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RESIDENTIAL FIREPLACE DISCLOSURE

Residential wood burning is the leading source of wintertime air pollution in the Bay Area and studies have confirmed there are significant health impacts from exposure to fine particulate matter found in wood smoke. The Bay Area Air Quality Management District ("BAAQMD") established the Wood Burning Devices (Wood Smoke Rule), Regulation 6, Rule 3 to reduce wintertime smoke pollution and protect public health. The Wood Smoke Rule requires anyone selling, renting or leasing a property in the Bay Area to disclose the potential health impacts from air pollution caused from burning wood. Fine particulate matter, also known as PM2.5, can travel deep into the respiratory system, bypass the lungs and enter the blood stream. Exposure may cause short term and long term health effects, including eye, nose and throat irritation, reduced lung function, asthma, heart attacks, chronic bronchitis, cancer and premature deaths. Exposure to fine particulates can worsen existing respiratory conditions. High PM2.5 levels are associated with increased respiratory and cardiovascular hospital admissions, emergency department visits, and even deaths. Children, the elderly and those with pre-existing respiratory or heart conditions are most at risk from negative health effects of PM2.5 exposure. The Buyer should consult with a licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace insert according to manufacturer's specifications to help reduce wood smoke pollution. The Air District encourages the use of cleaner and more efficient, non-wood burning heating options such as gas-fueled or electric fireplace inserts to help reduce emissions and exposure to fine particulates.

When the BAAQMD issues a Winter Spare the Air Alert during the winter season from November 1 through the end of February, it is illegal to burn wood, manufactured fire logs, pellets or any solid fuels in fireplaces, wood stoves or outdoor fire pits. To check when a Winter Spare the Air Alert is issued and it is illegal to burn wood, please call 1-877-4NO-BURN or visit www.baaqmd.gov or www.sparetheair.org.

END OF NATURAL HAZARD DISCLOSURE REPORT SECTION
See Terms and Conditions at end of this Report.



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California Property Tax Disclosure Report

The parties for whom this Report was prepared are the owner or transferor ("Seller") of the Residential Property ("Property") on the Report Date, the buyer or transferee ("Buyer") of the Residential Property from Seller as of the Report Date, and their respective licensed real estate agents ("Agents"). Seller, Buyer and the Agents are sometimes referred to herein as "Party" or "Parties."

Part 1. Introduction and Summary

This Tax Report section discusses the results of an electronic search of specified government lists ("Databases") containing real property tax information concerning the Residential Property. This tax information is based on the County's Fiscal Year 2018-2019 Secured Property Tax Roll and other sources identified in the Report. To understand the information provided, please read this entire Report.

Summary of Property Tax Determinations

The Residential Property:	IS	IS NOT	
A.	X		SUBJECT TO one or more Mello-Roos Community Facilities Districts. * <u>30</u>
B.		X	NOT SUBJECT TO a 1915 Bond Act District. * <u>30</u>
C.		X	NOT SUBJECT TO a PACE Contract Assessment. <u>30</u>
D.	X		SUBJECT TO one or more other direct assessments. * <u>32</u>
E.		X	NOT SUBJECT TO the State Responsibility Area Fire Prevention Fee (SRA Fee is suspended until 2031 by Assembly Bill 398 of 2017). <u>37</u>

Determined by First American Professional Real Estate Services, Inc.

THIS IS A DATABASE REPORT ONLY: The tax information in this Report only provides data derived from the County Tax Assessor's and Treasurer's Databases ("Databases") identified in this Report unless specified otherwise in the Report. While JCP-LGS has made good faith efforts to report from the Databases as accurately as possible, the quality, accuracy, and currency ("Database Date") of the information contained in these Databases can vary greatly. For more information regarding a specific Database, please read Part 2 of this Report. By use of this Report, Buyer agrees this is a Report product and not an insurance policy and is subject to the Terms and Conditions attached hereto and incorporated herein.

This Report satisfies Seller's obligations to disclose (a) Mello-Roos and 1915 Act Bond Assessments applicable to the Residential Property as required by California Civil Code Section 1102.6b, and (b) Supplemental Taxes as required by California Civil Code Section 1102.6c.



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Part 2. NOTICE OF SPECIAL TAX/ASSESSMENT

Special assessments, also referred to as direct or fixed assessments, are charges that are not based on the value of the property. These charges are levied to provide funding for services or improvements that directly benefit the property. Mello Roos Community Facility Districts and 1915 Bond Districts are also classified as special assessments. Certain special assessments may be subject to accelerated foreclosure if allowed to go delinquent.

**TO THE PROSPECTIVE PURCHASER OF THE RESIDENTIAL PROPERTY AT THE ADDRESS REFERENCED ABOVE:
THIS IS A NOTIFICATION TO BUYER PRIOR TO PURCHASING THE RESIDENTIAL PROPERTY.**

A. Mello-Roos Community Facilities Districts

If the Residential Property is within a Mello-Roos Community Facilities District (CFD), it is subject to a special tax that will appear on the property tax bill. This special tax is in addition to the ad valorem property taxes and any other charges and benefit assessments that will be itemized on the property tax bill and the proceeds of this tax or assessment are used to provide public facilities or services that are likely to particularly benefit the real property. This special tax may not be imposed on all parcels within the city or county where the property is located.

The current tax levy, maximum tax levy, the maximum tax escalator, and the authorized facilities and/or services which are being paid for by the special taxes are indicated below. **THE BUYER SHOULD TAKE THIS TAX AND THE BENEFITS FROM THE PUBLIC FACILITIES AND SERVICES FOR WHICH IT PAYS INTO ACCOUNT IN DECIDING WHETHER TO BUY THE RESIDENTIAL PROPERTY.**

The Residential Property IS SUBJECT to the following Mello-Roos Special Tax District(s):

AGENCY	IMPROVEMENTS AND/OR FACILITIES	START DATE / MATURITY DATE	CURRENT TAX LEVY	CURRENT YEAR MAXIMUM TAX LEVY
EAST BAY REGIONAL PARK DISTRICT COMMUNITY FACILITIES DISTRICT NO. A/C-3	TO FINANCE THE MAINTENANCE, IMPROVEMENT, AND SERVICING OF PARKLANDS, TRAILS, OPEN SPACE, AND RELATED PARKLAND, RECREATION AND OPEN-SPACE IMPROVEMENTS; PUBLIC SAFETY PROTECTION SERVICES; FLOOD AND STORM PROTECTION	2020/2021 2039/2040	\$0.00	\$24.84 (REPLACES EBRPD MEASURE CC IN FY 2020)
MAX. TAX ESCALATOR	CONTACT	PHONE NUMBER	ACCELERATED FORECLOSURE	
0%	NBS GOVERNMENT FINANCE GROUP	(800) 676-7516	NO	

Note: If "YES" is marked under Accelerated Foreclosure, please see Section C for more detailed information.

Database: Secured Property Tax Roll

Database Date: FY 2018-2019

B. 1915 Bond Act Assessment Districts

This Residential Property is NOT SUBJECT to 1915 Bond Assessment Districts.

Database: Secured Property Tax Roll

Database Date: FY 2018-2019

C. Accelerated Foreclosure Information

Certain assessment or bond issues may contain accelerated foreclosure liens which have priority over other real property taxes and are a legal right included as part of the security for the obligation. The issuers of such bonds are often contractually required to monitor and collect delinquent assessments quickly. Accordingly these assessments are not subject to the five (5) year waiting period applicable to ad valorem real property taxes. If the real property is subject to such an assessment and the taxes are not paid promptly, the real property may be foreclosed upon and sold at public auction on an expedited basis. **Therefore, it is extremely important that the real property tax bill be paid on time to prevent the accelerated foreclosure.**

D. Notice of Property Assessed Clean Energy (PACE) Program

Property assessed clean energy (PACE) programs allow property owners to finance energy efficiency, water efficiency and renewable energy projects, and qualifying seismic and wildfire safety improvements, on residential and commercial structures through a voluntary special tax assessment on the property. PACE programs are offered by many city, county and regional planning agencies, and have repayment periods ranging from 5 to 20 years however some may be longer.



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WHAT THIS MEANS: If a property owner voluntarily enters into a PACE program, a contractual assessment lien is placed on the property. The lien is repaid through installments collected on the property owner's secured county property tax bill. In certain situations the program administrator may bill the property owner directly. If the property is sold and the contractual assessment is not repaid in full, the new owner may be responsible for future assessments contributing towards repayment of the PACE contract.

DISCLOSURES AT RESALE: A PACE lien runs with the land. This means that the responsibility to repay the PACE lien may fall to the new owner upon transfer of the property unless the lien is paid off before closing. This fact may be material to a buyer's decision to purchase or price offered for the property. In addition, the buyer's lender may require the lien to be paid in full before closing (for certain federally backed mortgages, for example). Therefore, the property seller and his or her real estate agent may have a duty to disclose the existence of a PACE lien on the sale property.

The Property IS NOT SUBJECT to a PACE Program Contract documented in the county's Fiscal Year 2018-2019 Secured Property Tax Roll. To discover a PACE lien on the Property executed more recently, the Buyer should read the preliminary title report and obtain and read all exceptions listed therein. Note that, in the title report, lien exceptions are named as recorded with the county; therefore, a PACE lien may be listed under a name that is not obvious.

E. Approved Districts Which Have Been Formed and Authorized But Are Not Yet Funded

Certain Mello Roos Communities Facilities Districts or 1915 Bond Act Assessment Districts may have been formed and authorized but have not yet been funded. These Districts may not appear in this Report. However, the information regarding such districts may appear on your preliminary report issued by a title company. If a district has not been formed or funded, the improvements have also not been constructed. If the district is subsequently formed, the taxes or assessments may then appear on the property tax bill.



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Part 3. Current Property Tax Bill Summary

A. Summary of 2018-2019 Property Tax Bill

The following is a summary of Database information obtained from the ALAMEDA COUNTY Secured Property Tax Roll (Database) for Tax Year 2018-2019 ("Database Date"). This summary is provided for informational purposes only. The summary includes Ad Valorem taxes which are based on the property's Assessed Value as well as other Non- Ad Valorem Direct or Special Assessments. Upon transfer of ownership, the Assessed Value may be reset to the Current Market Value or Sale Price which may result in a substantial change in the Ad Valorem taxes assessed. Please see Parts 4 and 5 of this Report for more information regarding Ad Valorem taxes and Supplemental taxes.

Total Assessed Value:	\$994,500.00
1st Installment Due 11/01/2018	\$7,812.44
2nd Installment Due 02/01/2019	\$7,812.44
Total Annual Tax Liability	\$15,624.88

General Ad Valorem Taxes

AGENCY	DESCRIPTION	AMOUNT	CONTACT PHONE
ALAMEDA COUNTY	GENERAL AD VALOREM TAX AND VOTER APPROVED BONDS	\$13,590.82	(510) 272-6800
	TOTAL AD VALOREM TAXES	\$13,590.82	

Direct and/or Special Assessments

AGENCY	DESCRIPTION	AMOUNT	CONTACT PHONE
ALAMEDA COUNTY	MOSQUITO ABATEMENT	\$3.50	(800) 273-5167
PUBLIC WORKS DEPT	COUNTY SERV. AREA E.M. 1983-1 (PARAMEDIC)	\$98.58	(800) 441-8280
PUBLIC WORKS DEPT	COUNTY SERV. AREA V.C. 1984-1 (VECTOR CONTROL)	\$14.40	(800) 273-5167
CITY OF OAKLAND	EMERGENCY MEDICAL RESPONSE	\$29.74	(510) 238-3704
CITY OF OAKLAND	PARAMEDIC SUPPLEMENT	\$23.66	(510) 238-3704
ALAMEDA COUNTY PUBLIC WORKS AGENCY	C.S.A. LA 1991-1 (LEAD ABATEMENT)	\$20.00	(510) 567-8280
OAKLAND UNIFIED SCHOOL DISTRICT	MEASURE G PARCEL TAX	\$195.00	(510) 879-8884
PERALTA COMMUNITY COLLEGE DIST	PERALTA CCD MEASURE B	\$48.00	(800)792-8021
OAKLAND UNIFIED SCHOOL DISTRICT	MEASURE N PARCEL TAX	\$120.00	(510) 879-8884
OAKLAND UNIFIED SCHOOL DISTRICT	OUSD MEASURE G1	\$120.00	510-272-3787
CITY OF OAKLAND	VIOLENCE PREVENTION TAX - MEASURE Y	\$222.96	(510) 238-3704
CITY OF OAKLAND	MEASURE D CITY LIBRARY SERVICES	\$153.72	(510) 238-2942
SF BAY RESTORATION AUTHORITY	MEASURE AA PARCEL TAX	\$12.00	(888) 508-8157



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ALAMEDA COUNTY FLOOD CONTROL DIST	ALCO FLOOD CONTROL - BENEFIT ASSMT	\$16.00	(510) 670-5762
ALAMEDA COUNTY WASTE MGMT AUTH	ALCO HAZARD WASTE PROGRAM	\$22.20	(877) 786-7927
ALAMEDA COUNTY	CSA VECTOR CONTROL B	\$12.24	(800) 273-5167
ALAMEDA COUNTY	ALA. CO. MOSQUITO ABATEMENT DISTRICT	\$7.50	(800) 273-5167
ALAMEDA COUNTY	AC TRANSIT MEASURE VV TAX	\$96.00	(800) 273-5167
CITY OF OAKLAND	LIBRARY SERVICES RETENTION - MEASURE O	\$214.98	(510) 238-3704
EAST BAY MUNICIPAL UTILITY DISTRICT	EBMUD WET WEATHER FACILITIES CHARGES	\$370.44	(510) 287-2048
EAST BAY REGIONAL PARK DIST.	EBRPD LANDSCAPING & LIGHTING/E.B. TRAILS	\$8.16	(888) 512-0316
EAST BAY REGIONAL PARK DIST.	EBRPD PARK SAFETY/MAINT (MEASURE CC)	\$24.84	(888) 512-0316
CITY OF OAKLAND	LANDSCAPE & LIGHTING DISTRICT	\$200.14	(510) 238-3704
**EAST BAY REGIONAL PARK DISTRICT COMMUNITY FACILITIES DISTRICT NO. A/C-3	MEASURE FF (REPLACES MEASURE CC IN FY 2020)	\$0.00	(800) 676-7516
TOTAL DIRECT ASSESSMENTS		\$2,034.06	

** Indicates Mello Roos CFD, 1915 Bond Act or PACE Program Assessment. See Part 2 "Notice of Special Tax/Assessment" for additional information regarding these items.

B. Available Senior Citizen Exemptions

Certain districts that levy special taxes or assessments may offer exemptions to Senior Citizens. These exemptions can result in substantial savings to qualified tax payers. The filing of an application along with annual renewal may be required. Below is the contact information for requesting details on filing exemptions for districts that may offer a Senior Citizen Exemption. Additional Direct Assessment Districts may offer exemptions. Therefore you may want to contact the districts to determine their policy on Senior Citizen Exemptions.

AGENCY	DESCRIPTION	AMOUNT	CONTACT PHONE
OAKLAND UNIFIED SCHOOL DISTRICT	MEASURE G PARCEL TAX	\$195.00	(510) 879-8884
OAKLAND UNIFIED SCHOOL DISTRICT	MEASURE N PARCEL TAX	\$120.00	(510) 879-8884
CITY OF OAKLAND	MEASURE D CITY LIBRARY SERVICES	\$153.72	(510) 238-2942
EAST BAY REGIONAL PARK DISTRICT COMMUNITY FACILITIES DISTRICT NO. A/C-3	MEASURE FF (REPLACES MEASURE CC IN FY 2020)	\$0.00	(800) 676-7516

See Part 4B for additional information on other exemptions that may be available to Buyer.



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Part 4. Estimating Property Taxes After the Sale

Instantly and securely calculate estimated property taxes and supplemental taxes on our website (or manually calculate them below):

<https://orderform.fanhd.com/Order/TaxCalcForm?quid=9ED60ED5975A4D6596602EAFE10C3D74>

A. Calculating Property Taxes After Sale (ESTIMATE ONLY)

PROPERTY TAX ESTIMATOR

The following calculation method is provided to assist Buyer in estimating the approximate amount of property tax charges that the Residential Property may be subject to for the upcoming tax year based on the assessed valuation being equal to the sales price. The amount derived is only an estimate and is not a substitute for a tax bill from the County, nor does it anticipate new property tax charges, fees or other changes in the property tax rates for future tax years.

1	Estimated Sales Price.....	∞ 1	\$	<u> </u>
2	Estimated Ad Valorem Tax Rate.....	∞ 2		<u> 0.0136700</u>
3	Multiply line 1 by line 2. This is your Estimated Ad Valorem Tax.....	∞ 3	\$	<u> </u>
4	Direct Assessments including Mello Roos Special Taxes, 1915 Bond Act Assessments or PACE Assessments applicable.....	∞ 4	\$	<u> 2,034.06</u>
5	Add lines 3 and 4. Total Estimated Annual Tax Amount After Sale.....	∞ 5	\$	<u> </u>

The information in this subparagraph A is an estimate only. The purpose of this "ESTIMATOR" is to assist Buyer in planning for property taxes which will be applicable after the Sale Date. This "ESTIMATOR" requires the Buyer's projection of the purchase price of the Residential Property. Please note that potential exemptions and exclusions are not reflected in this estimate. **Additionally, undeveloped or recently developed properties may be subject to additional Direct Assessments not included in this estimate. JCP-LGS is not responsible or liable for any losses, liabilities or damages resulting from use of this Property Tax Estimator.**

B. Exemptions & Exclusions to Ad Valorem Taxes

California law provides certain exemptions from reassessments. The following is a list of common exemptions which may be available:

- Homeowner exemption (California Constitution Art XIII, §3 & R&T Code §218)
- Honorably discharged veterans (California Constitution Art XIII, §3 & R&T Code §205)
- Disabled veterans (California Constitution Art XIII, §4 & R&T Code §205)

California law also provides certain exclusions from reassessment. The following is a list of common exclusions which may be available:

- Persons over 55 years of age (R&T Code § 69.5)
- Severely and permanently disable persons (R&T Code § 69.5(a))
- Transfers between parents and children and grandparents and grandchildren (R&T Code § 63.1)
- Transfers into revocable trusts (R&T Code § 62)
- Interspousal transfers (R&T Code § 63)
- Improvements for seismic retrofitting (R&T Code § 74.5)
- Improvements for disabled access (R&T Code § 74.3)
- Replacement of property damaged or destroyed by disaster (R&T Code § 69)

In order to determine if Buyer may qualify for any exemptions or exclusions or to obtain a comprehensive list of available exemptions and exclusions, please contact the county tax assessor's office (510-272-3787) or visit the county website at <https://www.acgov.org/assessor/>. Additional information is also available on the website for the California Board of Equalization at www.boe.ca.gov



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Part 5. Supplemental Property Tax Information

A. General Information Regarding Supplemental Taxes

California law mandates the county assessor to reappraise real property upon a change in ownership or completion of new construction. The assessor's office issues a supplemental assessment which reflects the difference between the prior assessed value and the new assessment. This value is prorated based on the number of months remaining in the fiscal tax year which ends June 30.

Notices of the supplemental assessment are mailed out to the property owners prior to the issuance of the supplemental tax bill or refund if the value is reduced. The taxes or refund based on the supplemental assessment are in addition to the regular annual tax bill.

The supplemental tax will be due from the current owner in addition to the regular tax assessment. Accordingly for the first year of ownership, Buyer should plan for this additional payment.

B. Supplemental Property Tax Disclosure

The following notice is mandated by California Civil Code Section 1102.6c:

NOTICE OF YOUR "SUPPLEMENTAL" PROPERTY TAX BILL

"California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes.

The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector.

If you have any question concerning this matter, please call your local Tax Assessor or Collector's Office."

ALAMEDA County Assessor
Phone: 510-272-3787
Website: <https://www.acgov.org/assessor/>



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C. Calculating Supplemental Taxes After Sale (ESTIMATE ONLY)

Instantly and securely calculate estimated property taxes and supplemental taxes on our website (or manually calculate them below):

<https://orderform.fanhd.com/Order/TaxCalcForm?guid=9ED60ED5975A4D6596602EAFE10C3D74>.

SUPPLEMENTAL TAX ESTIMATOR

The following schedule is provided to estimate the potential amount of the supplemental taxes on a given property and does NOT include the amount of the regular annual ad valorem property tax. The following calculation provides an estimate of the supplemental property taxes that can be expected during the first year of ownership, and should be used for planning purposes only.

1	Estimated Sales Price.....	∞ 1	\$	_____
2	Estimated Current Assessed Value.....	∞ 2	\$	<u>994,500.00</u>
3	Subtract line 2 from line 1. Estimated Supplemental Assessed Value.....	∞ 3	\$	_____
4	Multiply line 3 by 0.0136700 (the Estimated Ad Valorem Tax Rate for the Residential Property). Estimated Full-Year <u>Supplemental</u> Tax Obligation.....	∞ 4	\$	_____

If the Sale Date for the Residential Property falls during the months of January through May, Buyer will receive TWO supplemental tax bills: (a) one for the current partial tax year; and (b) one for the next full tax year. The supplemental taxes can be estimated by completing lines 5 through 8 below:

5	Enter the Month-of-Sale Factor from TABLE 1 below.....	∞ 5		_____
6	Multiply line 4 by line 5. Estimated Supplemental Tax Bill # 1.....	∞ 6	\$	_____
7	Enter the amount on line 4. Estimated Supplemental Tax Bill # 2.....	∞ 7	\$	_____
8	Add lines 6 and 7. Total estimated Supplemental Tax Bill.....	∞ 8	\$	_____

If the Sale Date for the Residential Property falls during the months of June through December, Buyer will receive ONE supplemental tax bill. The supplemental tax can be estimated by completing lines 9 and 10 below:

9	Enter the Month-of-Sale Factor from TABLE 2 below.....	∞ 9		_____
10	Multiply line 4 by line 9. Total estimated Supplemental Tax Bill.....	∞ 10	\$	_____

TABLE 1. Month-of-Sale Factor

Jan	0.4167
Feb	0.3333
Mar	0.2500
Apr	0.1667
May	0.0833

TABLE 2. Month-of-Sale Factor

Jun	1.0000
Jul	0.9167
Aug	0.8333
Sept	0.7500
Oct	0.6667
Nov	0.5833
Dec	0.5000

The information in this subparagraph C is an estimate only. The purpose of this "ESTIMATOR" is to assist Buyer in planning for the supplemental taxes. The estimated supplemental tax is not a substitute for the supplemental bill and may not be relied upon as such. This "ESTIMATOR" requires the Buyer's projection of the purchase price of the Residential Property as well as month in which the transaction will be consummated. Please note that potential exemptions and exclusions are not reflected in these estimations JCP-LGS is not responsible or liable for any losses, liabilities or damages resulting from use of this Supplemental Tax Estimator.



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Part 6. State Responsibility Area Fire Prevention Fee

In 2011, the California Legislature and Governor enacted a "Fire Prevention Fee" on habitable structures in the State's wildland fire responsibility area ("SRA"). The yearly fee, levied on property owners, paid for various activities to prevent and suppress wildfires in the SRA, and was most recently at the rate of \$152.33 per habitable structure on the property.

Effective July 1, 2017, as authorized by Assembly Bill 398 and signed by the Governor, that fire prevention fee is suspended until 2031.

The fire prevention activities supported by the fee will continue, but instead will be funded through a different State program – one aimed at curbing industrial emissions of carbon dioxide (also known as California's "cap-and-trade" program). For more information, please refer to the text of the Assembly bill at the following link:
http://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB398



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Part 7. Private Transfer Fee Advisory

Private Transfer Fee. This is a fee imposed by a private entity such as a property developer, home builder, or homeowner association, when a property within a certain type of subdivision is sold or transferred. (It is commonly known as a "Private Transfer Tax".) It is NOT the same as a city or county Documentary Transfer Tax. A Private Transfer Fee may apply in addition to government Documentary Transfer Taxes that are due upon sale or transfer of the Property.

Transfer Fee Defined. California Civil Code Section 1098 defines a "Transfer Fee".

Effective January 1, 2008, if the payment of any Transfer Fee is required in the sale or transfer of the Property, Civil Code Section 1102.6e requires Seller to notify Buyer of the existence of the fee and to disclose certain specific information about the fee.

How to Determine the Existence of a Transfer Fee. If a Transfer Fee does exist affecting the Property, the document creating the fee may be on file with the County Recorder as a notice recorded against the Property and should be disclosed in the preliminary (title) report on the Property. However, the preliminary (title) report will merely disclose the existence of the documents affecting title, not the content of the documents. The title of a document may also not be sufficient to disclose that a Transfer Fee is included in its terms. Accordingly Seller should (a) request the title company which issued the preliminary (title) report to provide copies of the documents shown as "exceptions," and (b) review each document to determine if it contains a Transfer Fee.

Parties are advised that documents regarding any Transfer Fee should be obtained early in the sale process in order to avoid delays in the transaction process and to ensure full disclosure as required by law.

To determine if the Property is subject to a Transfer Fee, OBTAIN COPIES OF ALL OF THE EXCEPTIONS LISTED ON THE PRELIMINARY (TITLE) REPORT FROM THE TITLE COMPANY AND READ THEM TO DETERMINE IF ANY TRANSFER FEES ARE APPLICABLE.

**END OF TAX DISCLOSURE REPORT SECTION
See Terms and Conditions at end of this Report.**



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TERMS and CONDITIONS

ACCEPTANCE OR USE OF THE WEBSITE, CUSTOMER SERVICE, OR ANY REPORT CONSTITUTES APPROVAL AND ACCEPTANCE OF THESE TERMS AND CONDITIONS AS STATED HEREIN.

The Website (defined below), Customer Service (defined below) and any Report (defined below) are subject to each of the following Terms and Conditions. Any User (defined below) accessing, using, or reviewing the Website, Customer Service, or any Report, including any portion thereof, agrees that the Website, Customer Service and Reports are subject to the following Terms and Conditions, and such User agrees to be bound by these Terms and Conditions, regardless of whether the User ordered a Report on the Website or over the telephone through Customer Service, and regardless of whether the User paid for the Report. Use of any kind of the Website or a Report by any User constitutes acceptance of these Terms and Conditions, which are incorporated by this reference into every Report.

A Report is not an insurance policy.

A Report is made for the Property (defined below) and solely for the transaction for which it was originally purchased ("Transaction"). The Property shall not include any property beyond the boundaries of the real property described in a Report. The Property shall not include any structures (whether located on the Property, or not), easements, or any right, title, interest, estate, or easement in any abutting streets, roads, alleys, lanes, ways, or waterways.

IMPORTANT NOTICE: Transferor(s) and transferee(s) shall read a complete Report in its entirety before the close of escrow. A "Signature Page" or "Summary Pages" document may be included in the electronic delivery of the Report. Those documents do not replace the complete Report or remove the need to read a complete Report, and do not remove the requirement to disclose. The Signature Page and Summary Pages documents are subject to these Terms and Conditions.

1. Definitions.

- a. **"Company"** shall mean First American Professional Real Estate Services, Inc., a California corporation, operating through its Natural Hazard Disclosure division, "JCP-LGS."
- b. **"Company Content"** shall mean all editorial content, graphics, data, and information contained in the Report or on the Website, any portion thereof, including the selection, coordination, and arrangement of the editorial content, graphics, data, and information on the Website, and the hierarchy of the Website.
- c. **"Customer Service"** shall mean Company's customer service telephone service department or representatives.
- d. **"User"** shall mean any person or entity.
- e. **"Property"** shall mean the real property specifically described in a Report.
- f. **"Report"** shall mean any residential disclosure report prepared by the Company, including but not limited to a JCP-LGS Residential Property Disclosure Report, available through the Website or Customer Service.
- g. **"Website"** shall mean the www.fanhd.com website, the www.disclosures.com website, the www.reodisclosure.com website, and any other individual sites as may be added to, or available through, the foregoing or any other Company website, including, without limitation, the data and computer code, underlying, contained on, or transmitted from the Website, a Report, and the Company Content. Any reference herein to the Website shall be to each individual item and also to the Website as a whole.

2. **No Third Party Reliance on Any Report.** Only the transferor(s) and transferee(s), and their agents/brokers, if any, involved in the Transaction (collectively, the "Recipients") may use and rely on a Report and only after they have paid in full for the Report. While disclosures made on the Natural Hazard Disclosure Statement in a Report may indicate certain risks to the Property, the disclosures are only "...between the transferor, the transferor's agents, and the transferee, and shall not be used by any other party, including, but not limited to, insurance companies, lenders, or governmental agencies, for any purpose." Cal. Civil Code section 1103.2, subdivision (g).

3. **Seller and Seller's Agent's Responsibility of Full Disclosure.** Recipients are obligated to make disclosures, and always disclose material facts, that are within their actual knowledge.

4. **Scope of Any Report.** A Report is limited to determining whether the Property is located in those specified natural hazard zones and property tax districts, and in proximity to those specified environmental sites (depending on the report product ordered), as defined in the Report. The Report is not a geologic report or a land survey, and no site inspection has been made in producing the Report. Company makes no determination, expresses no opinion or view, and assumes no responsibility in any Report concerning the right, entitlement, or ability to develop or improve the Property. Company has no information concerning whether the Property can be developed or improved. No determination is made, and no opinion is expressed or intended by any Report concerning structures or soils on or outside of the Property, including, without limitation, habitability of structures or the Property, suitability of the Property for construction or improvement, potential for soil settlement, drainage, soil subsidence, or other soil or site conditions. The Recipient(s) is advised to consult the local Planning Department to determine whether factors beyond the scope of any Report may limit the transferee(s) ability to use or improve the Property.

The Report is not a title report, and no determination is made and no opinion is expressed, or intended, by the Report as to title to the Property or liens against the Property, recorded or otherwise, or whether the Property is comprised of legal lots in conformance with the California Subdivision Map Act or local ordinances. The Report is not a property inspection report, and no determination is made and no opinion is expressed, or intended, by the Report concerning architectural, structural, mechanical, engineering, or legal matters, or the marketability or value of the Property. Company has not conducted any testing or physical or visual examination or inspection of the Property, nor is the Report a substitute for any such testing, physical or visual examination, or inspection.

5. **Tax and Environmental Disclosures (if included in Report).** No determination is made and no opinion is expressed, or intended, by a Report concerning the existence of property tax liabilities, or the existence of hazardous or toxic materials or substances, or any other defects, on, under, or in proximity to the Property, unless specifically described in the Report. Company's total liability for any error or omission in its disclosures relating to taxes and/or environmental matters shall be limited to actual proven damages not to exceed \$10,000.



Terms and Conditions

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6. **Company Database Updates.** To the extent databases are used in preparing a Report, each database is updated by the responsible agency at various intervals. Updates for a database are determined by the responsible agency and may be made at any time and without notice. The Company maintains an update schedule and makes reasonable efforts to use updated information. For these reasons, the Company reports information as of the date when the database was last updated by the Company. That date is specified as the "Database Date" for each database. The Tax Report discloses Mello Roos Community Facilities Districts, 1915 Bond Act Assessments and PACE assessments documented in the county's Fiscal Year 2018-2019 annual secured property tax roll. The Report may disclose PACE contracts where PACE taxes were first assessed or liens were recorded after the Fiscal Year 2018-2019 secured property tax roll, where recordation data is available to JCP-LGS. To discover a PACE lien on the Property executed more recently, the buyer should read the preliminary title report and obtain and read all exceptions listed therein. Note that, in the title report, lien exceptions are named as recorded with the county; therefore, a PACE lien may be listed under a name that is not obvious.
7. **Statutory and Additional Disclosures, Advisories, and Local Addenda (if included in Report).** No determination is made and no opinion is expressed, or intended, by a Report concerning the need to purchase earthquake or flood insurance for the Property. In preparing the Report, Company accurately reported on information contained in public maps and databases ("Government Records"). Company reviewed and relied upon those Government Records specifically identified and described in the Report. Company has not reviewed or relied upon any Government Records that are not specifically identified in the Report. Company also has not reviewed any plat maps, survey maps, surveyor maps, assessor maps, assessor parcel maps, developer maps, or engineering maps, whether or not such maps have been recorded. No determination is made and no opinion is expressed, or intended, by the Report concerning any matters identified in Government Records that were not reviewed by Company. Local Addenda, where applicable, are included "AS IS" as an accommodation to the local real estate board that provided the content; Company assumes no responsibility for the accuracy of any information included in the Local Addenda.
8. **FEMA Flood Determination Certificate (if accompanying the Report).** No determination is made, and no opinion is expressed or intended by a Report concerning the requirement for or cost of flood insurance on the Property. Recipient(s) understands that a lender may require flood insurance to secure its loan collateral independent of whether FEMA may require flood insurance under the National Flood Insurance Program on a federally backed mortgage. The FEMA Flood Determination Certificate ("Flood Certificate") that may accompany the Report, is produced by a third-party expert certified by FEMA to provide Flood Certificates. Company assumes no liability for errors in that third-party flood determination.
9. **Changes to Government Record after Report Date.** A Report is issued as of the Report Date identified in the Report. Company shall have no obligation to advise any Recipient of any information learned or obtained after the Report Date even if such information would modify or otherwise affect the Report. Subsequent to Company's acquisition of Government Records, changes may be made to said Government Records, and Company is not responsible for advising Recipients of any changes. Company will update the Report upon request and at no charge during the transaction process for which the Report was issued, but not to exceed one year from the date of the Report. Likewise, Company is not liable for any impact on the Property that any change to the Government Records may have.
10. **Government Record Sources.** Company relies upon the Government Records specifically identified in a Report without conducting an independent investigation of their accuracy. Company assumes no responsibility for the accuracy of the Government Records identified in the Report. Company makes no warranty or representation of any kind, express or implied, with respect to the Report. Company expressly disclaims and excludes any and all other express and implied warranties, including, without limitation, warranties of merchantability or fitness for a particular purpose. The Company Report is "AS IS."

11. Not for Credit Purposes.

The Company Content available in any Report has not been collected for credit purposes and is not intended to be indicative of any consumer's credit worthiness, credit standing, credit capacity, or other characteristics listed in Section 1681(a) of the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq. The Report shall not be used:

- a. as a factor in establishing an individual's eligibility for credit or insurance,
- b. in connection with underwriting individual insurance,
- c. in evaluating an individual for employment purposes,
- d. in connection with a determination of an individual's eligibility for a license or other benefit granted by a governmental authority,
- e. in any way that would cause the Report to constitute a "consumer report" under the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq., or
- f. in any other manner that would cause such use of the Report to be construed as a consumer report by any pertinent governmental authority.

12. Limitation of Company's Liability

- a. Company is not responsible for:
 - Any inaccuracies or incompleteness of the information in the Public Records.
 - Inaccurate address information provided for the Property.
 - Any other information not contained in the Public Records as of the Report Date.
 - Any information which would be disclosed by a physical inspection of the Property.
 - Any information known by you, a Recipient, a User, the transferor or transferee, or their agents/brokers.
 - The health or risk to humans or animals that may be associated with any of the disclosed hazards.
 - The costs of investigating or remediating any of the disclosed hazards.
- b. In no event shall Company or its data suppliers be liable for any damages resulting from the inability or failure to access or interface with the Website or Customer Service.
- c. Except as otherwise expressly set forth in these Terms and Conditions, Company's total liability and responsibility to all Users accessing the Website, Customer Service, or any Report collectively for any and all liabilities, causes of action, claim or claims, including, but not limited to, claims for breach of contract or negligence, shall be for actual proven damages only caused directly by Company's error. In no event shall Company's total liability exceed the difference between the amount actually paid for the Property and the fair market value on the date of the disclosure, as measured by a retrospective appraisal performed by a licensed professional appraiser under the Uniform Standards of Professional Appraisal Practice. Company expressly disclaims any liability for Recipients' or Users' indirect, incidental and/or consequential damages, including, without limitation, lost profits, even if such damages are foreseeable, and you, User and Recipients hereby waive and release any right to assert a claim against Company for such amounts. The Parties, and each of them, expressly



Terms and Conditions

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waive the benefits of California Civil Code Section 2778 and 1542 and any other similar provisions. Section 1542 provides that "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

- d. **Product and Service Claims.** User shall provide prompt notice to Company, and a reasonable opportunity to cure, any known error, omission or mistake that may result in a claim on products or services provided under these Terms and Conditions, prior to making a claim against the Company. In addition, User shall use their best efforts to mitigate any losses resulting from any products or services provided pursuant to these Terms and Conditions. If User does not perform according to the requirements of this section, Company will not be liable. User also must provide sufficient documentation, as deemed appropriate by Company, to evidence any out-of-pocket, actual monetary loss.
- e. **Links.** Where Company provides hypertext links to other Internet websites on the Website, or in any Report, the Company does so for informational purposes only, and such links are not endorsements by Company of any products or services on such sites. Company shall not accept, and shall not incur, any liability for such products or services and makes no endorsement or approval of the same.

13. Reporting of Risk Elements for Condominium Projects, Planned Unit Developments, and Other Properties with Common or Undivided Interests ("Common Interests") Unless otherwise noted, this report is based solely on the real Property referenced by the Property's Assessor's Parcel Number ("APN"). An APN whose boundary does not include all Common Interests associated with the parcel will generate a report which does not identify the natural hazards relating to the Common Interests that extend beyond the APN parcel boundary. Accordingly, it is imperative that you consult with the property's homeowners association(s) to determine those risks.

14. User Account and Information.

- a. To obtain and use a Report, User must order the Report through the Website or over the telephone through Customer Service or by email. To order the Report online, User must register for an account on the Website and provide information required in the Website registration form. As part of that registration, User agrees to accurately furnish all contact and other information requested by Company and notify Company immediately of any change in the information.
- b. Company reserves the right to refuse or reject any request to create an account for any or no reason at Company's sole discretion. User solely is responsible for their account, contact information and other information made available through User's account or otherwise via the Website. User shall use reasonable care to protect the confidentiality of their account log-in information and will not share it with any other person or entity. User will be entirely responsible for the conduct of any person using their account information to access the Website, Customer Service, or any Report.
- c. User only shall access the Website using a password or other security mechanism to prevent unauthorized access. Sharing of User access is prohibited, and any automation of accessing information is strictly prohibited unless expressly authorized in writing by Company. It is User's sole responsibility to maintain the confidentiality of all usernames and passwords, and User shall be responsible for all charges relating to the use of said usernames and passwords whether or not authorized by User. In no event shall User use the Website, Customer Service, or any Report for illegal purposes or in any manner that is defamatory, libelous, unlawfully threatening or unlawfully harassing, or that otherwise violates any federal, state or local statute, law or regulation, for debt collection, skip tracing, or electronic telephone directory assistance or otherwise breaches or violates these Terms and Conditions.

15. Confidentiality. User acknowledges that the Website and any Report contain valuable commercial products, the development of which has involved the expenditure of substantial time and money. User shall take appropriate measures and shall initiate strict security measures to prevent the accidental or otherwise unauthorized use or release of any and all proprietary and confidential information of the Company and any third parties associated with the Report or provided through the Website or Customer Service.

16. License to Use Website, Customer Service, and Any Report. Subject to User's compliance with these Terms and Conditions, Company grants User a limited, non-exclusive, revocable, non-assignable, personal and non-transferable license to access and make use of the Website, Customer Service, and any Report solely for the purposes specified in these Terms and Conditions, and not for any other purpose whatsoever. The foregoing license does not include any resale or commercial use of the Website, Customer Service, Report, or Company Content obtained from the Website, Customer Service, or any Report. The Website, Report, and the Company Content therein, and any portion thereof, may not be reproduced, duplicated, copied, sold, resold, visited, or otherwise exploited for any commercial purposes without Company's express written consent. This license does not include any derivative use of this Website or the Report, or any Company Content therein nor any use of data mining, robots, or similar data gathering and extraction tools. User may not frame or utilize framing techniques to enclose any trademark, logo, or other proprietary information (including images, text, page layout, or form) of the Website, the Report or the Company Content without express written consent of the Company. User may not use any meta tags or any other "hidden text" or trademarks without the express written consent of the Company. Any unauthorized use terminates the permission or license granted by the Company.

17. Use of the Website, Customer Service, and Report. User acknowledges and agrees that their use of and access to the Website, Customer Service, and any Report may be logged and monitored. User agrees that Company controls the terms of all access to, and use of, the Website (including any upgrades, modifications or updates thereto), Customer Service, and all products, services, and materials contained therein that are delivered by means of the Website, including the Reports, and all third-party products and information and data that may be included therein. The Company reserves the right to revise or alter the Website, Customer Service, the Reports, and the provisions of these Terms and Conditions at any time, in its sole discretion. By accessing or using the Website, Customer Service, or a Report, User agrees not to use the Website, Customer Service, or Report in any way that:

- is unlawful, fraudulent, tortious, or in any other manner Company deems in its sole discretion to be inappropriate or impermissible;
- may harm Company, any Recipient, or any other person or entity;
- violates or infringes the rights of the Company or any third party;
- gains or tries to gain unauthorized access to the Website, Customer Service, Company's computers and networks, any Report, or the Company's data, or that otherwise modifies or interferes with the permitted use or operation of the Website or Customer Service, or the permitted use of the Report;
- imposes an unreasonable or disproportionately large load on Company's infrastructure, including but not limited to transmitting spam or using other unsolicited communications or techniques;
- repurposes, copies, excerpts, disassembles, decompiles, manipulates, alters, damages, or deletes any Company Content or removes or modifies any copyright or other intellectual property notices that appear on the Website or any Report;
- contains computer viruses or other disruptive, damaging or harmful files or programs; or



JCP-LGS Residential Resale Property Disclosure Reports

Terms and Conditions

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- otherwise violates these Terms and Conditions, or any other terms, guidelines, or policies provided by Company.

In addition, User represents and warrants that:

- the information and other content that User provides using the Website, Customer Service, or Report does not infringe, violate, misappropriate or otherwise conflict with the rights of the Company or any third party; complies with all applicable local, state, national, and other laws, rules and regulations; and does not violate these Terms and Conditions;
- User will use their true legal name, address, electronic mail address, and only provide true, accurate and complete information on the Website;
- User will not impersonate another party or misrepresent or falsify their affiliation with another person, such as by using another user name, password or other account information or another name, likeness, image or photograph, or using fictitious personal or address information;
- User is at least 18 years of age, or the legal age of majority where User resides;
- User has all requisite rights and authority to use the Website, Customer Service, and Report, and to enter into these Terms and Conditions; and
- the performance of User's obligations under these Terms and Conditions will not violate, conflict with, or result in a default under any other agreement, including confidentiality agreements between User and third parties.

18. User Content. User hereby represents and warrants that any content that they upload to the Website, if permitted, or content that User uses in connection with any Report shall not be used in any manner that is defamatory, libelous, unlawfully threatening or unlawfully harassing, and does not and shall not infringe upon or misappropriate any rights, including, without limitation, intellectual property rights, proprietary rights or confidentiality rights, or rights of publicity or privacy of any third parties or the Company, and that such content is free of worms, viruses, Trojan Horses and other disabling code. For the avoidance of doubt, "content" as used in this section in connection with the User shall be construed broadly so as to include, but not be limited to, all materials, documents, data, information or other materials that User may upload to the Website or use in connection with any Report.

19. Intellectual Property.

- Unless otherwise provided, Company owns the copyrights, trademarks, service marks, and trade dress rights to all materials and content displayed on and from the Website and any Report (including visual interfaces, interactive features, graphics, designs, databases and their data, computer code, products, software and all other elements and components of the Website and Report). User may not reproduce, repurpose, modify, excerpt, create derivative works, display, frame, perform, publish, distribute, sell, disseminate, transmit, broadcast, sell, or circulate any such materials or content, including, without limitation, the Report or Website, or the contents thereof, to any third party (including displaying or distributing the material using a third-party website) without Company's prior written consent.
- Copyrights.** The Website and any Report are owned and copyrighted by Company. No ownership rights are being granted to User by these Terms and Conditions. Subject to the limited license provided in these Terms and Conditions, Company reserves all rights in and to Website and any Report, including, but not limited to, the exclusive rights under copyright and other intellectual property and the right to grant further licenses. User shall only use the Website as specifically stated herein. Company and its licensors reserve and retain all copyright, intellectual property and other proprietary rights in and to Company Content, including without limitation, all rights in any public information that may have been gathered, including as a compilation. All Company Content is protected by U.S. and/or international copyright laws, international treaties and/or other applicable laws. Unauthorized use of the Website or the Company Content is strictly prohibited and may subject User to prosecution. User acknowledges that all information accessed through the Website and any Report are proprietary information of Company, including any third-party suppliers (including, without limitation, real property ownership information) under copyright, and have been furnished to User in trust. Any revision, republication and re-use of Company Content or the Website for any purpose are strictly prohibited in whole or in part. Except as expressly permitted herein, the materials from the Website including, but not limited to, Company Content may be used solely for limited non-commercial informational purposes only as necessary to do business with the Company or for evaluating or purchasing Company's products and services. Except for downloading as may be expressly authorized by Company within specific portions of the Website, the Company Content may not be reproduced, licensed, copied, displayed, published, sold, modified, transmitted or distributed without the Company's prior written permission which may be withheld in Company's sole discretion. Linking to and/or framing the Website is strictly prohibited unless Company expressly consents in writing to such a link or frame, and User enters into a further agreement for such linking to and/or framings. Any person or entity wishing to establish a link to the Website, frame the Website, or request the Company's consent to other uses of the Website or Company Content, may send their request by e-mail to the Company Webmaster. All other uses of the Website and/or Company Content not expressly addressed in these Terms and Conditions are strictly prohibited.
- Trademarks.** Company and/or its parent company, subsidiaries or affiliates own several trademarks and service marks that are used in connection with, among other things, the Website and any Report, including, but not limited to, First American, JCP-LGS, the Eagle logo ® ("Company Marks"). Any use of the Company Marks requires prior approval in writing by the Company which may be withheld in Company's sole discretion. The "look and feel" of the Website and any Report, and the contents thereof, including, without limitation, the Company Content, such as the color combinations, buttons, layout, and other graphical elements are protected by applicable U.S. and international intellectual property laws, including, without limitation, trademark, copyright and trade dress laws. Nothing contained herein shall constitute a license (either express or implied) for User to use any of the Company Marks or trade dress, including the elements that constitute the "look and feel" of the Website and any Report.
- Company retains all rights that are not otherwise expressly granted in these Terms and Conditions.
- At Company's request, User shall return or delete any and all Website or Report content or portion thereof in their possession.

20. In the event of a dispute involving a violation of Paragraphs 15, 16, 17, 18, or 19 of these Terms and Conditions, such dispute shall not be subject to the Small Claims or Arbitration provisions set forth in Paragraph 23 below. In any litigation to stop a violation of those Paragraphs, the prevailing party shall be entitled to recover its reasonable attorneys' fees, expert fees and costs.

21. Pricings/Billing and Payment Processing. Company reserves the right to change any Report pricing, including whether a Report is billed for, at any time without notice. To the extent applicable, charges or fees for any Report will be accumulated under the licensee account number and will be invoiced either through escrow or directly to licensee, depending upon how licensee sets up their account.

In the event that any credit card payments are processed by a third-party card processing company, such third-party card processing company will be contractually required by Company to use commercially adequate security and confidentiality measures. That agreement requires the card processing company to use adequate security and confidentiality measures to protect User's payment information. All payment information that User provides through the Website will be



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transmitted directly to the card processing company over a secure connection. Company will not record User's credit card number, expiration date, or CVV number. However, this information may be stored by the card processing company in the normal course of its business, or as required or authorized by law, statute, regulation, or Payment Card Industry standard.

22. **Governing Law.** These Terms and Conditions, and a User's use of the Website, Customer Service, or any Report shall be governed by, and construed in accordance with, the laws of the State of California.

23. **Small Claims or Arbitration.** This provision constitutes an agreement to arbitrate disputes on an individual basis. Any party may bring an individual action in small claims court instead of pursuing arbitration. All disputes and claims arising out of or relating to the Website, Customer Service, or any Report, except for those covered by Paragraph 20 above, must be resolved by binding arbitration. This agreement to arbitrate includes, but is not limited to, all disputes and claims between Company, transferor(s) and transferee(s) and claims that arose prior to purchase of the Report, but it excludes disputes and claims covered by Paragraph 20 above. This agreement to arbitrate applies to transferor(s) and transferee(s) successors in interest, assigns, heirs, spouses, and children. As noted above, a party may elect to bring an individual action in small claims court instead of arbitration, so long as the dispute falls within the jurisdictional requirements of small claims court.

Any arbitration must take place on an individual basis. Company, transferor(s) and transferee(s) agree that they are waiving any right to a jury trial and to bring or participate in a class, representative, or private attorney general action, and further agree that the arbitrator lacks the power to grant relief affecting anyone other than the individual claimant. If a court decides that any of the provisions of this paragraph are invalid or unenforceable because the provisions would prevent the exercise of a non-waivable right to pursue public injunctive relief, then any dispute regarding the entitlement to such relief (and only that relief) must be severed from the arbitration and may be litigated in court.

The arbitration is governed by the Consumer Arbitration Rules (the "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Agreement, and will be administered by the AAA. Company will pay all AAA filing, administration and arbitrator fees for any arbitration it initiates and for any arbitration initiated by another party for which the value of the claims is \$75,000 or less, unless an arbitrator determines that the claims have been brought in bad faith or for an improper purpose, in which case the payment of AAA fees will be governed by the AAA Rules. **A COPY OF THESE RULES IS AVAILABLE FROM THE AAA'S WEB SITE AT WWW.ADR.ORG OR ON REQUEST FROM THE COMPANY. THE ARBITRATION AWARD MAY INCLUDE ATTORNEY'S FEES IF ALLOWED BY FEDERAL, STATE, OR OTHER APPLICABLE LAW AND MAY BE ENTERED AS A JUDGMENT IN ANY COURT OF PROPER JURISDICTION.**

The arbitration will take place in the same county in which the property covered by the Report is located. The Federal Arbitration Act will govern the interpretation, applicability and enforcement of this arbitration agreement. This arbitration agreement will survive the termination of the Report.

24. **Term; Termination.** The application of these Terms and Conditions will commence upon User's acceptance of the provisions of these Terms and Conditions by clicking "I Accept," calling Customer Service, or in any way accessing any Report or portion thereof and shall continue in perpetuity, unless sooner terminated pursuant to the terms hereof (the "Term"). Notwithstanding the foregoing, upon written notice to User, the Company may immediately terminate these Terms and Conditions, and terminate User's access to and use of the Website, Customer Service, and all Reports, for any reason at any time.

25. **Notices.** Any notice or other communication required or permitted under these Terms and Conditions shall be sufficiently given if delivered in person or sent by one of the following methods:

- a. Registered U.S. mail, return receipt requested (postage prepaid);
- b. Certified U.S. mail, return receipt requested (postage prepaid); or
- c. Commercially recognized overnight service with tracking capabilities.

Notices to the Company shall be sent to 4 First American Way, Santa Ana, California 92707, with a copy to the Company's counsel at the same address marked Attention: Legal Department. Notices to User shall be sent to the address entered by User in the Website. Notices or communications shall be deemed properly delivered as of the date personally delivered or sent by mail or overnight service.

26. **Severability.** Except as otherwise provided above, if any provision of these Terms and Conditions is determined to be invalid or unenforceable for any reason, then such provision shall be treated as severed from the remainder of the Terms and Conditions, and shall not affect the validity and enforceability of all of the other provisions of the Terms and Conditions.

27. **Other Agreements.** These Terms and Conditions constitute the entire, integrated agreement between Company and any User using, possessing, or accessing the Website and/or Report, and supersede and replace all prior statements, representations, negotiations, and agreements.

END OF REPORT

**FOOTAGE & LOT SIZE
ADVISORY AND DISCLOSURE**

Property Address: 2836 Carmel St. Oakland

DIFFERENT SOURCES FOR SQUARE FOOTAGE AND OTHER MEASUREMENTS:

Measurements of structures vary from source to source and that data is often contradictory. There is no one "official" size source or a "standard" method of calculating exterior structural size, interior space or square footage. For instance, Appraisers often exclude the thickness of walls, stairwells and laundry rooms to determine "livable" square footage; however, architects and other floor-plan design professionals employ a wide variety of methods to calculate the size of improvements. Assessors generally use gross, permitted size. Measurements taken by various professionals may not include some "finished" or "unfinished" space and generally exclude known illegal space.

Buyers should not rely on any advertised or disclosed square footage measurements and should retain their own experts to measure structural size and/or square footage during their contingency period, if any. This is especially important if Buyers are using square footage to determine whether or not to purchase the Property and/or are using a price per square foot to determine purchase price. Price per square foot calculations are generally broad estimates only, which can vary greatly depending upon property location, type of property and amenities; such calculations should not be relied upon by Buyers and the accuracy of any such figures should be independently verified by Buyers with their own experts including, but not limited to, a licensed appraiser.

PROPERTY SIZE, DIMENSIONS, CONFIGURATIONS AND BOUNDARIES:

Fences, retaining walls, hedges and other landscaping, watercourses or other natural or man-made structures may not correspond with any legally-defined property boundaries, and existing structures or amenities may not be located within the actual property boundaries or local setback requirements. There are sources available which refer to lot size, lot dimensions, location of improvements and property configurations, such as the County Assessor, Recorded maps, Developer plans or existing surveys, but that documentation may not be accurate, may not be available, and should not be relied upon by Buyers for any purpose. If lot size, dimensions, boundary lines, property configurations, locations of improvements are important to Buyers' decision to purchase or the price Buyers are willing to pay, then Buyers should independently investigate by retaining the services of a licensed surveyor, the only professional who can accurately determine lot dimensions, boundary locations and acreage for the Property.

Different sources of exterior and/or interior structural size, square footage and/or lot size may include the following sources noted in the chart below: (NOTE: Any numbers inserted into the spaces below are approximations only, were taken from the referenced source, and other size numbers may exist from other sources.)

Source of Information	Structure	Lot	Bedroom	Bathroom
MLS	1307		2	1
County Assessor	2816	11,406	6	3
Floor Plan/Drawings	1307		2	1
Other				

Not update from counter

If no numbers are included in the chart above, the undersigned Agent is not aware of any size discrepancies in the structure or lot.

Seller and Real Estate Licensees have not and will not verify the accuracy of any representations from any source regarding acreage, lot sizes, dimensions, configurations, dimensions or boundary lines/markers, location of improvements, square footage numbers, or price per square foot estimates. Agent will **not** be conducting any on-site or off-site investigations to determine the existence of any other sources for that information.

The chart above was completed by the undersigned Agent on 7-15-19

Agent Name: Christina [Signature]
Agent Signature: [Signature]

The undersigned Seller acknowledges receipt of a copy of this Advisory/Disclosure and confirms that Seller does not have any information or documentation that differs from the information contained in the chart above.

The undersigned Seller acknowledges receipt of a copy of this Advisory/Disclosure and confirms that Seller does not have any information or documentation that differs from the information contained in the chart above.

Date: 7/16/2019 Seller: Kevin Tsai Seller: Julia X. Song
DocuSigned by: Kevin Tsai DocuSigned by: Julia X. Song
60ABEF06D2B5427... 164AB7A2BC8040F...

I acknowledge that I have received a copy of this Advisory/Disclosure:

Date: _____ Buyer: _____ Buyer: _____

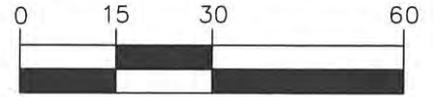
BROKERS AND REAL ESTATE SALESPERSONS CAN ADVISE ON REAL ESTATE TRANSACTIONS ONLY.

FOR LEGAL OR TAX ADVICE, CONSULT A QUALIFIED ATTORNEY OR CPA.

AREA CALCULATIONS SKETCH

*FOR CLIENT USE. NOT TO BE INCLUDED IN RECORDED SET

GRAPHIC SCALE



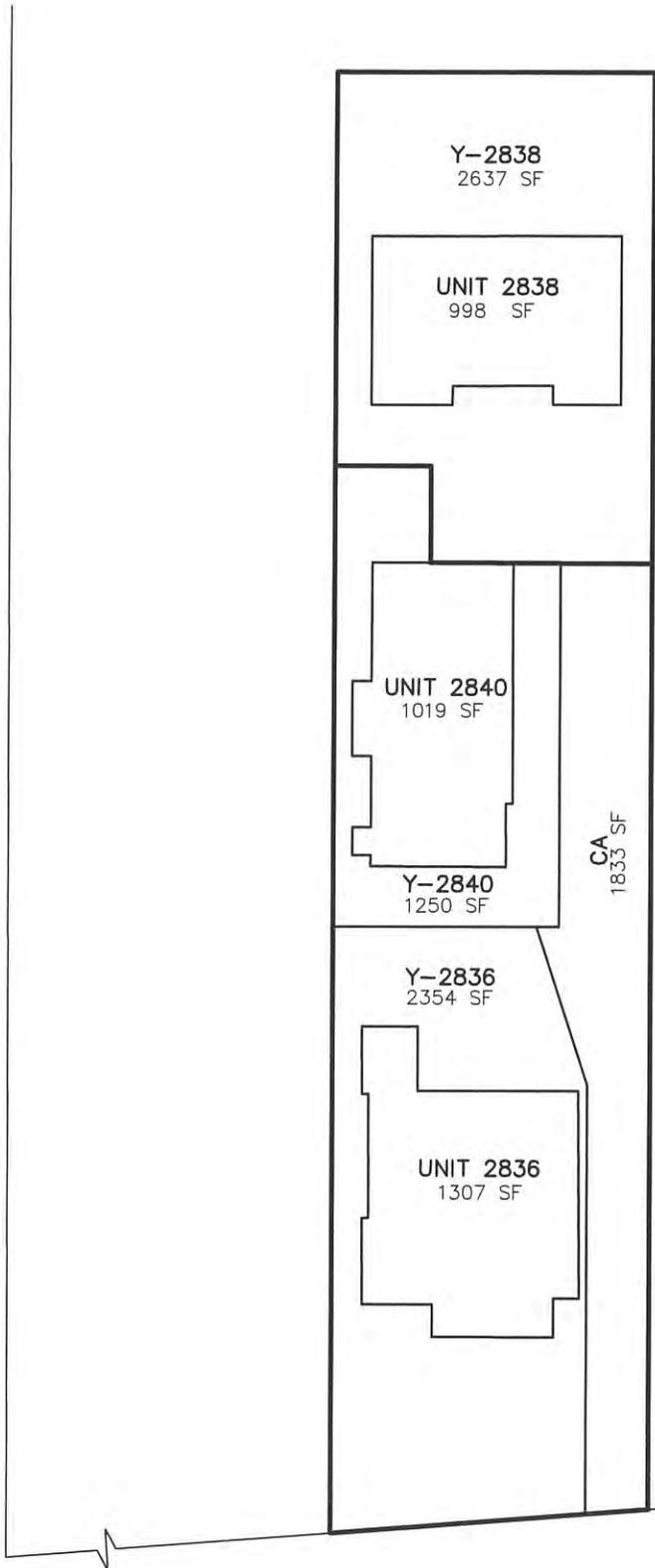
(IN FEET)

1 inch = 30 ft.



LEGEND	
BUILDING FOOTPRINT OR EXCLUSIVE USE LINE	
CA	COMMON AREA
Y-2836	YARD, UNIT 2836
Y-2838	YARD, UNIT 2838
Y-2840	YARD, UNIT 2840

(FORMERLY PERALTA AVENUE)
COOLIDGE AVENUE



**RECEIVED AND READ
DATE _____**

DocuSigned by:
Julia X Song
164AB7A2BC8040F...

DocuSigned by:
Kevin Tsai
60ABEF06D2B5427...



HOMEOWNER ASSOCIATION DOCUMENT ADVISORY FOR BUYERS

When selling a property located in a Common Interest Development (“CID”), the law requires Sellers to provide Buyers with several types of documents that are created and maintained by the Homeowners Association (“HOA”). Because the HOA material often consists of numerous pages, Buyers may not take the time to thoroughly review these important documents prior to removing their HOA document review contingency and/or proceeding with their purchase. It is critical that Buyers carefully review all HOA documents to determine for themselves if the property they are acquiring meets their current and future use and enjoyment of the property.

AS A BUYER, YOU ARE STRONGLY ADVISED BY YOUR BROKER TO REVIEW ALL HOMEOWNER ASSOCIATION DOCUMENTS, WITH APPROPRIATE PROFESSIONALS, IF NECESSARY, TO UNDERSTAND THEIR CONTENTS, AS THESE DOCUMENTS WILL GOVERN, AFFECT AND, IN SOME CASES, LIMIT YOUR CURRENT AND FUTURE USE AND ENJOYMENT OF THE PROPERTY.

While it is important to review and understand all transaction documents that you receive, you should pay special attention to the following issues which are frequently areas of concern for Buyers of property located in a CID:

1. Covenants, Conditions and Restrictions: The CC&R's are the main provisions governing the HOA, how it is run, and basic rights, duties and obligations of the HOA and individual members. CC&R's are recorded documents and after the HOA is formed, it is extremely difficult to change the CC&R's.

2. Rules and Regulations: If promulgated by the HOA, the Rules and Regulations usually detail how the HOA will handle routine, day-to-day matters often affecting common area usage, expenses, etc.

3. Minutes: Most HOAs prepare Minutes summarizing their Board of Directors' Meetings. The Minutes often detail past, current and future (proposed) events, issues, and expenses such as existing or planned litigation, repairs, improvements or needed changes in the dues and/or additional assessments. The Minutes must be reviewed thoroughly because these documents are often the best source of information as to what will be happening with the common area, the individual units and your ability to use and enjoy the property after escrow closes.

4. Financial Information: To the extent that there are detailed financial accounts regarding the funds that have been paid to and/or owed to the HOA, you should pay particular attention to the rate of delinquency, the adequacy of the funding of the reserves, any current or planned assessments, and any operating losses. The financial information from the HOA may be contained in numerous documents, including but not limited to: Pro Forma Operating Budget, Assessment and Reserve Funding Disclosure Summary, Financial Statement Review, Assessment Enforcement Policy, Insurance Summary, and Regular, Special and Emergency Assessments.

A. It is essential that you understand the financial status of the HOA: For example, have the reserves been properly and adequately funded? Are there many delinquent dues and assessment payments, etc. The financial status of the HOA could impact your future costs of owning the property.

B. Any documented comments regarding pending or future assessments are critical information and will usually appear in the Minutes of the Board of Directors, and on the HOA disclosure form itself.

C. If there are special or emergency assessments, Buyers need to know if those assessments are currently due in full or whether they are due only in monthly installments. If you are not certain, you should request that the HOA clarify that information. The Purchase Agreement will determine whether the assessment payment will be paid by the Seller at Close of Escrow, or whether the payments are prorated and you, as the Buyer, will be responsible for the monthly payments after Close of Escrow.



D. If you have any questions or concerns about the financial status, strength or stability of the HOA, contact your accountant who may be able to provide a professional assessment of the HOA's finances.

E. There are independent services available which will review the HOA documentation and give an opinion of the financial status of a HOA for a fee, which is typically \$300.00 to \$500.00 depending upon the services to be provided and the extent of the HOA documentation. Buyers should consider this to be a good investment when buying CID property. Your real estate broker can provide additional details about these services but real estate licensees are not qualified to assess the financial viability of any HOA.

5. Noise: Due to noise and other factors, HOAs often restrict the type of floor and/or wall material that can be used in certain units and/or the number of pets. You should directly contact the HOA Board to determine whether or not the property can be used for your intended purposes. You should also determine whether or not the property meets your subjective personal preferences and needs.

6. Common Areas: Those portions of a CID that are not wholly owned by the individual homeowners are designated as "Common Areas." Usually, the CC&R's and/or the By-Laws will define what constitutes the Common Areas, how they are used, who gets to use them, and who is responsible for maintenance. Some Common Areas may be available for use by all members and their guests, such as a lobby or garden. However, some Common Areas may be "Restricted" or "Exclusive Use" Common Areas with access limited to homeowners (this is often true with swimming pools and spas), or may be restricted to just one homeowner, such as a roof deck, balcony or patio. In some instances, the homeowner may be responsible for maintenance of certain Restricted or Exclusive Use Common Areas. You should determine for yourself whether there are any restrictions affecting the Common Areas which could impact your intended use and enjoyment of the property.

7. Parking and Storage: You should determine for yourself whether or not the allotted parking space(s) are adequate to park your vehicle(s) in the assigned spaces by actually parking in those spaces. Parking space(s) and storage space(s), if any, may be described in a Condominium Map or in the Preliminary Report issued by a Title Company. The actual markings, striping and numbering of these space(s) may not accurately reflect the actual spaces and may be in conflict with the space(s) designated in the recorded documents. It is therefore crucial that you personally determine if the parking and storage space(s) that are designated in the recorded documents are actually the space(s) being transferred to you and that those space(s) are acceptable for your needs and intended uses.

8. Litigation: Many CID's have been involved in, or are presently involved in, or may become involved in, litigation regarding the design, construction, maintenance and/or condition of all or a part of the Development. Whether or not these lawsuits are successful, litigation is expensive and the cost of such legal actions may impact not only the adequacy of the HOA reserves but also the amount of current or future assessments.

9. Special Needs: HOA documents may limit the number and size of pets but only if the HOA accommodates "service" and/or "companion" animals. HOAs on their own, or because of local ordinances, may limit or completely ban smoking and/or vaping in common areas or units. The ability for new Buyers to rent units and/or ability to operate any type of business in the units may also be limited or completely forbidden. Therefore, it is important that you review ALL HOA documents to ascertain whether there are any limitations on your particular needs or planned use of the property.

10. Brokers: Real estate licensees who forward HOA documentation to you have not verified and will not verify that information unless they agree to do so in writing.

The undersigned Buyer acknowledges receipt of this 2-page Advisory.

Buyer: _____

Date: _____

Buyer: _____

Date: _____



1763 Lindo St
Benicia CA 94510
Phone: (707) 246-6578
E Mail: josh@alliedherstesting.com

INVOICE

Bill To: Christian Thede / Northbrae Properties
Project Location: 2836, 2838, & 2840 Carmel St, Oakland CA 94602

Invoice No.: 2019-J-1447
Invoice Date: 03/06/19

Quantity	Description	Unit Price	Total
3	HERS Test HVAC Package (Duct Leakage Testing - performed on 03/06/19)	\$300	\$900
3	***discount of \$50 to be applied***	-\$50	-\$150

Subtotal:	\$900
Discount Total:	-\$150
Balance Due:	\$750

Thank you for Choosing Allied HERS Testing

PLEASE INCLUDE INVOICE NUMBER ON CHECK
PRICING GOOD FOR THIS PROJECT ONLY
PAYMENTS DUE WITHIN 30 DAYS OF INVOICE DATE

RECEIVED AND READ
DATE _____

1 of 5

DocuSigned by: Kevin Tsai DocuSigned by: Julia X. Song
60ABEF06D2B5427... 164AB7A2BC8040F...

CERTIFICATE OF VERIFICATION		CF3R-MCH-20-H	
Duct Leakage Diagnostic Test		(Page 1 of 3)	
Project Name: 2836 Carmel St, Oakland CA 94602	Enforcement Agency: City of Oakland	Permit Number: RBC1900396	
Dwelling Address: 2836 Carmel St	City: Oakland	Zip Code: 94602	

A. System Information		
01	Space Conditioning System Identification or Name	System 1
02	Space Conditioning System Location or Area Served	Whole House
03	Building Type from CF-1R	Single family
04	Verified Low Leakage Ducts in Conditioned Space (VLLDCS) Credit from CF1R?	No, credit is not taken
05	Verified Low Leakage Air Handling Unit (VLLAHU) Credit from CF1R?	No, credit is not taken
06	Duct System Compliance Category	New

MCH-20a - Completely New Duct System

B. Duct Leakage Diagnostic Test		
01	Condenser Nominal Cooling Capacity (ton)	0
02	Heating Capacity (kBtu/h)	57
03	Conditioned Floor Area served by this HVAC system (ft ²)	1000
04	Duct Leakage Test Conditions	Test final
05	Duct Leakage Test Method	Total leakage
06	Leakage Factor	0.05
07	Air Handling Unit Airflow (AHUAirflow) Determination Method	Heating system method
08	Measured AHUAirflow	This field or section is not applicable
09	Calculated Target Allowable Duct Leakage (cfm)	62
10	Actual Duct Leakage Rate from Leakage Test Measurement (cfm)	43
11	Compliance Statement	System passes leakage test

Registration Number:
219-A020054200A-000-001-M20001A-M20B

Registration Date/Time: 2019-03-06 14:52:35

HERS Provider: CalCERTS

CA Building Energy Efficiency Standards
2016 Residential Compliance

Report Version: 2018.0.001
Schema Version: rev 20180426

Report Generated: 2019-03-06 14:43:39

CERTIFICATE OF VERIFICATION	CF3R-MCH-20-H
Duct Leakage Diagnostic Test	(Page 2 of 3)

B. Duct Leakage Diagnostic Test	
12	Notes

C. Additional Requirements for Compliance	
01	System was tested in its normal operation condition. No temporary taping allowed.
02	Outside air (OA) duct connections to the central forced air duct system shall not be sealed/taped off during duct leakage testing. OA ducts used for Central Fan Integrated (CFI) Indoor Air Quality ventilation systems, or Central Fan Ventilation Cooling Systems, that utilize dampers that open only when OA is required and automatically close when OA is not required, may configure the OA damper to the closed position during duct leakage testing.
03	All supply and return register boots were sealed to the drywall.
04	Building cavities were not used as plenums or platform returns in lieu of ducts.
05	If cloth backed tape was used it was covered with Mastic and draw bands.
06	All connection points between the air handler and the supply and return plenums are completely sealed.
Visual Inspection at Final Construction Stage (applicable if system was tested at rough-in). After installing the interior finishing wall and verifying that the above rough-in tests was completed, the following procedure must be performed	
07	For all supply and return registers, verify that the spaces between the register boot and the interior finishing wall are properly sealed.
08	If the house rough-in duct leakage test was conducted without an air handler installed, inspect the connection points between the air handler and the supply and return plenums to verify that the connection points are properly sealed.
09	Inspect all joints to ensure that no cloth backed rubber adhesive duct tape is used.
10	Verification Status: Pass
11	Correction Notes:
The responsible person's signature on this compliance document affirms that all applicable requirements in this table have been met unless otherwise noted in the Verification Status and the Corrections Notes in this table.	

D. Determination of HERS Verification Compliance All applicable sections of this document shall indicate compliance with the specified verification protocol requirements in order for this Certificate of Verification as a whole to be determined to be in compliance.	
01	Complies: All specified verification protocol requirements on this document are met.

CERTIFICATE OF VERIFICATION	CF3R-MCH-20-H
Duct Leakage Diagnostic Test	(Page 3 of 3)

Documentation Author's Declaration Statement	
1. I certify that this Certificate of Verification documentation is accurate and complete.	
Documentation Author Name: Joshua Feenan	Documentation Author Signature: <i>Joshua Feenan</i>
Company: Allied HERS Testing	Date Signed: 2019-03-06 14:43:59
Address: 1763 Lindo St	CEA/ HERS Certification Identification (if applicable): CC2017077
City/State/Zip: Benicia CA 94510	Phone: 707-246-6578
Responsible Person's Declaration statement	
I certify the following under penalty of perjury, under the laws of the State of California:	
<ol style="list-style-type: none"> The information provided on this Certificate of Verification is true and correct. I am the certified HERS Rater who performed the verification identified and reported on this Certificate of Verification (responsible rater). The installed features, materials, components, manufactured devices, or system performance diagnostic results that require HERS verification identified on this Certificate of Verification comply with the applicable requirements in Reference Appendices RA2, RA3, and the requirements specified on the Certificate of Compliance for the building approved by the enforcement agency. The information reported on applicable sections of the Certificate(s) of Installation (CF2R) signed and submitted by the person(s) responsible for the construction or installation conforms to the requirements specified on the Certificate(s) of Compliance (CF1R) approved by the enforcement agency. I will ensure that a registered copy of this Certificate of Verification shall be posted, or made available with the building permit(s) issued for the building, and made available to the enforcement agency for all applicable inspections. I understand that a registered copy of this Certificate of Verification is required to be included with the documentation the builder provides to the building owner at occupancy. 	
Builder Or Installer Information As Shown On The Certificate Of Installation	
Company Name (Installing Subcontractor, General Contractor, or Builder/Owner): Homeowner - Installer	
Responsible Builder or Installer Name: Kevin Tsai	CSLB License: HOMEOWNER
HERS Provider Data Registry Information	
Sample Group Number (if applicable):	Dwelling Test Status in Sample Group (if applicable) Tested
HERS Rater Information	
HERS Rater Company Name: Allied HERS Testing	
Responsible Rater Name: Danieson Crowder	Responsible Rater Signature: <i>Danieson Crowder</i>
Responsible Rater Certification Number w/ this HERS Provider: CC2018073	Date Signed: 2019-03-06 14:52:35

Digitally signed by CalCERTS. This digital signature is provided in order to secure the content of this registered document, and in no way implies Registration Provider responsibility for the accuracy of the information.

Registration Number:
219-A020054200A-000-001-M20001A-M20B

Registration Date/Time: 2019-03-06 14:52:35

HERS Provider: CalCERTS

CA Building Energy Efficiency Standards
2016 Residential Compliance

Report Version: 2018.0.001
Schema Version: rev 20180426

Report Generated: 2019-03-06 14:43:39

Project Status Report**CalCERTS, Inc**

Effective: 03/06/2019 14:54

1 of 1**GENERAL INFORMATION**

Energy Standards Code Year:	2016	 <i>Easy to Verify @ calcerts.com</i>
Project Name:	2836 Carmel St, Oakland CA 94602	
Project Type:	Alterations SFR	
Address:	2836 Carmel St	
City / State / Zip:	Oakland / CA / 94602	
Enforcement Agency:	City of Oakland	
Permit Number / Date:	RBC1900396 / 1/25/2019	

HERS VERIFIABLE MEASURES: **COMPLETE**OVERALL STATUS: **COMPLETE****CF1R INFORMATION - Certificate of Compliance (Lists Required Energy Features)**

Certificate Type:	Compliance
Registered Form:	CF1R-ALT-02
Registered Date:	03/06/2019 14:36
Registration Number:	219-A020054200A-000-000-0000000-0000

CF2R INFORMATION - Certificates of Installation (Documents the proper installation of required energy features)

System	Form	Registered Date	Registration Number	
	CF2R-MCH-01-E (Space Conditioning Systems, Ducts and Fans)	03/06/2019 14:53	219-A020054200A-000-001-M01001A-0000 Kevin Tsai (Homeowner - Installer)	<input checked="" type="checkbox"/>
System 1	CF2R-MCH-20-H (Duct Leakage)	03/06/2019 14:53	219-A020054200A-000-001-M20001A-0000 Kevin Tsai (Homeowner - Installer)	<input checked="" type="checkbox"/>

CF3R INFORMATION - Certificates of Verification (Documents the verification of HERS Measures)

System	Form	Registered Date	Registration Number	
System 1	CF3R-MCH-20-H (Duct Leakage)	03/06/2019 14:52	219-A020054200A-000-001-M20001A-M20B Danieson Crowder (Allied HERS Testing)	<input checked="" type="checkbox"/>

Permits for which no major inspection has been approved within 180 days shall expire by limitation. No refund more than 180 days after expiration or final.

2836 CARMEL ST

2836 CARMEL ST



CITY OF OAKLAND

250 FRANK H. OGAWA PLAZA • 2ND FLOOR • OAKLAND, CA 94612

Planning and Building Department
www.oaklandnet.com

COPY

PH: 510-238-3891
FAX: 510-238-2263
TDD: 510-238-3254

Permit No: RBC1900396 Residential Combo Filed Date: 1/25/2019
 Job Site: 2836 CARMEL ST Schedule Inspection by calling: 510-238-3444
 Parcel No: 029 098205702
 District:
 Project Description: Non-structural kitchen & bath remodel at existing SFD including replace all windows to match existing conditions. No change to wall layout or footprint. (Includes Mech, Elec, Plumb)
 Related Permits: RB1805049 RBC1900398 RBC1900397

	<u>Name</u>	<u>Applicant</u>	<u>Address</u>	<u>Phone</u>	<u>License #</u>
Owner:	TSAI KEVIN & SONG JULIA X		2836 CARMEL ST OAKLAND, CA		
Owner-Agent:	Christian Theda - LOA	X	2836 CARMEL ST OAKLAND, CA	510-647-0600	

TOTAL FEES TO BE PAID: \$1,008.39

Application Fee	\$70.00	CBSC	\$0.90	City CBSC	\$0.10
City SMIP	\$0.09	Electrical Inspections - COMBO	\$75.82	General Plan Surcharge	\$73.10
Inspection Fee	\$505.50	Mechanical Inspections - COMBO	\$75.82	Plumbing Inspection - COMBO	\$75.82
Recrd Mangmnt & Tech Enhancement Fee	\$129.62	SMIP	\$1.62		

Plans Checked By _____ Date _____ Permit Issued By M-E Date 1-25-19
 Finalized By _____ Date _____

RECEIVED AND READ DATE _____



1 of 6

DocuSigned by: Julia X. Song DocuSigned by: Kevin Tsai
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Permit No: RBC1900396

Parcel No: 029 098205702

Job Site: 2836 CARMEL ST

Page 2 of 3

OWNER-BUILDER DECLARATION

I hereby affirm under penalty of perjury that I am exempt from the Contractors' State License Law for the reason(s) indicated below by the checkmark(s) I have placed next to the applicable item(s) (Section 7031.5, Business and Professions Code: Any city or county that requires a permit to construct, alter, improve, demolish, or repair any structure, prior to its issuance, also requires the applicant for the permit to file a signed statement that he or she is licensed pursuant to the provisions of the Contractors' State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code) or that he or she is exempt from licensure and the basis for the alleged exemption. Any violation of Section 7031.5 by any applicant for a permit subjects the applicant to a civil penalty of not more than five hundred dollars (\$500):

I, as owner of the property, or my employees with wages as their sole compensation, will do all of or portions of the work, and the structure is not intended or offered for sale (Section 7044, Business and Professions Code: The Contractors' State License Law does not apply to an owner of property who, through employees' or personal effort, builds or improves the property, provided that the improvements are not intended or offered for sale. If, however, the building or improvement is sold within one year of completion, the Owner-Builder will have the burden of proving that it was not built or improved for the purpose of sale).

I, as owner of the property, am exclusively contracting with licensed Contractors to construct the project (Section 7044, Business and Professions Code: The Contractors' State License Law does not apply to an owner of property who builds or improves thereon, and who contracts for the projects with a licensed Contractor pursuant to the Contractors' State License Law).

I am exempt from licensure under the Contractors' State License Law for the following reason: _____

By my signature below I acknowledge that, except for my personal residence in which I must have resided for at least one year prior to completion of the improvements covered by this permit, I cannot legally sell a structure that I have built as an owner-builder if it has not been constructed in its entirety by licensed contractors. I understand that a copy of the applicable law, Section 7044 of the Business and Professions Code, is available upon request when this application is submitted or at the following Web site: <http://www.leginfo.ca.gov/calaw.html>.

RENOVATION REPAIR AND PAINTING ACKNOWLEDGMENT

EPA's Lead Renovation, Repair and Painting Rule (RRP Rule) requires that firms performing renovation, repair, and painting projects that disturb lead-based paint in homes, child care facilities and pre-schools built before 1978 have their firm certified by EPA or use certified renovators who are trained by EPA-approved training providers and follow lead-safe work practices. As the property owner preparing to do work on a Pre-1978 building, I have read the explanation of the RRP Rule and will ensure that any paint disturbing work will be done by or supervised by an RRP certified individual(s). Failure to follow this rule may result in enforcement action by the EPA. For additional information on complying with lead safety requirements, contact the Alameda County Healthy Homes Department at (510) 567-8280 or 1-800-253-2372 or visit <http://www.achhd.org>.

HAZARDOUS MATERIALS DECLARATION

I hereby affirm that the intended occupancy WILL WILL NOT use, handle or store any hazardous, or acutely hazardous, materials. (Checking "WILL" acknowledges that Sections 25505, 25533, and 25534 of the Health and Safety Code, as well as filing instructions were made available to you).

I hereby agree to save, defend, indemnify and keep harmless the City of Oakland and its officials, officers, employees, representatives, agents, and volunteers from all actions, claims, demands, litigation, or proceedings, including those for attorneys' fees, against the City in consequence of the granting of this permit or from the use or occupancy of the public right-of-way, public easement, or any sidewalk, street or sub-sidewalk or otherwise by virtue thereof, and will in all things strictly comply with the conditions under which this permit is granted.

By my signature below, I certify to each of the following:

- I am the property owner or authorized to act on the property owner's behalf.
- I have read this application and the information I have provided is correct.
- I agree to comply with all applicable city and county ordinances and state laws relating to building construction.
- I authorize representatives of this city or county to enter the above-identified property for inspection purposes.

NOTICE: No activities related to the approved work, including storage/use of materials, is allowed within the public right-of-way without an encroachment permit. Dust control measures shall be used throughout all phases of construction.

Name (Print)

Signature Owner Agent

Date



Permit No: RBC1900396

Parcel No: 029 098205702

Job Site: 2836 CARMEL ST

Page 3 of 3

An application for a building permit has been submitted in your name listing yourself as the builder of the property improvements specified. We are providing you with an Owner-Builder Acknowledgment and Information Verification Form to make you aware of your responsibilities and possible risk you may incur by having this permit issued in your name as the Owner-Builder. We will not issue a building permit until you have read, initialed your understanding of each provision, signed, and returned this form to us at our official address indicated. An agent of the owner cannot execute this notice unless you, the property owner, obtain the prior approval of the permitting authority.

OWNER'S ACKNOWLEDGMENT AND VERIFICATION OF INFORMATION

DIRECTIONS: Read and initial each statement below to signify you understand or verify this information.

- ___1. I understand a frequent practice of unlicensed persons is to have the property owner obtain an "Owner-Builder" building permit that erroneously implies that the property owner is providing his or her own labor and material personally. I, as an Owner-Builder, may be held liable and subject to serious financial risk for any injuries sustained by an unlicensed person and his or her employees while working on my property. My homeowner's insurance may not provide coverage for those injuries. I am willfully acting as an Owner-Builder and am aware of the limits of my insurance coverage for injuries to workers on my property.
- ___2. I understand building permits are not required to be signed by property owners unless they are responsible for the construction and are not hiring a licensed Contractor to assume this responsibility.
- ___3. I understand as an "Owner-Builder" I am the responsible party of record on the permit. I understand that I may protect myself from potential financial risk by hiring a licensed Contractor and having the permit filed in his or her name instead of my own.
- ___4. I understand Contractors are required by law to be licensed and bonded in California and to list their license numbers on permits and contracts.
- ___5. I understand if I employ or otherwise engage any persons, other than California licensed Contractors, and the total value of my construction is at least five hundred dollars (\$500), including labor and materials, I may be considered an "employer" under state and federal law.
- ___6. I understand if I am considered an "employer" under state and federal law, I must register with the state and federal government, withhold payroll taxes, provide workers' compensation disability insurance, and contribute to unemployment compensation for each "employee." I also understand my failure to abide by these laws may subject me to serious financial risk.
- ___7. I understand under California Contractors' State License Law, an Owner-Builder who builds single-family residential structures cannot legally build them with the intent to offer them for sale, unless all work is performed by licensed subcontractors and the number of structures does not exceed four within any calendar year, or all of the work is performed under contract with a licensed general building Contractor.
- ___8. I understand as an Owner-Builder if I sell the property for which this permit is issued, I may be held liable for any financial or personal injuries sustained by any subsequent owner(s) that result from any latent construction defects in workmanship or materials.
- ___9. I understand I may obtain more information regarding my obligations as an "employer" from the Internal Revenue Service, the United States Small Business Administration, the California Department of Benefit Payments, and the California Division of Industrial Accidents. I also understand I may contact the California Contractors' State License Board (CSLB) at 1-800-321-CSLB (2752) or www.cslb.ca.gov for more information about licensed contractors.
- ___10. I am aware of and consent to an Owner-Builder building permit applied for in my name, and understand that I am the party legally and financially responsible for proposed construction activity.
- ___11. I agree that, as the party legally and financially responsible for this proposed construction activity, I will abide by all applicable laws and requirements that govern Owner-Builders as well as employers.
- ___12. I agree to notify the issuer of this form immediately of any additions, deletions, or changes to any of the information I have provided on this form.

Licensed contractors are regulated by laws designed to protect the public. If you contract with someone who does not have a license, the Contractors' State License Board may be unable to assist you with any financial loss you may sustain as a result of a complaint. Your only remedy against unlicensed Contractors may be in civil court. It is also important for you to understand that if an unlicensed Contractor or employee of that individual or firm is injured while working on your property, you may be held liable for damages. If you obtain a permit as Owner-Builder and wish to hire Contractors, you will be responsible for verifying whether or not those Contractors are properly licensed and the status of their workers' compensation insurance coverage. Before a building permit can be issued, this form must be completed and signed by the property owner and returned to the agency responsible for issuing the permit. A copy of the property owner's driver's license, form notarization, or other verification acceptable to the agency is required to be presented when the permit is issued to verify the property owner's signature.

Name (Print)

Signature Owner Agent

Date



CITY OF OAKLAND
 Planning & Building Department
 BUILDING SERVICES

250 Frank H. Ogawa Plaza 2nd Floor Oakland, CA 94612

Telephone (510) 238-3444

www.oaklandnet.com

Fax (510) 238-7287

PERMIT RECORD CARD

ONE & TWO FAMILY DWELLING

California Building, Residential, Electrical, Plumbing, Mechanical, Energy and Green Building Codes

Oakland Building, Planning Sustainability, Fire and Municipal Codes

Address:	2836 CARMEL ST, Oakland, CA 94602	Suite:		APN:	029 098205702
Description:	Non-structural kitchen & bath remodel at existing SFD including replace all windows to match existing conditions. No change to wall layout or footprint. (Includes Mech, Elec, Plumb)			Issued:	01/25/2019
				Building Use:	Single Family Dwelling
				Occupancy:	R-3 Residential 1 And 2 Uni
				Type:	VB - Combustible Constructio
Owner:	Tsai Kevin & Song Julia X			Stories:	1
Contractor:				# units:	1
Permits:	RBC1900396			Sprinkler:	
Allocated Inspections	6				

SPECIAL INSPECTION LIST (checked items are required)

Reinforced Concrete, Gunite, Grout & Mortar:				Structural Wood							
CONCRETE	GUNITE	GROUT	MORTAR	Aggregate Test		Shear Wall Nailing		Structural Observations			
				Reinforcing Test		Eng. Lumber Insp.		Sample and Test Components			
				Mix Designs		Structural Steel/Welding					
				Reinforcing Place		Sample and Test (list specific numbers below)					
				Batch Plant Insp.		Shop Material Identification					
				Cast Samples		Welding Inspection					
				Compression Tests		Ultrasonic Inspection					
				Anchors		High-Strength Bolting					
				Test Panels		A325	A490	N	X	FIELD	F
Precast/Pre-stressed Concrete:				Metal Deck Welding Inspection							
PILES	POST-TENSION	PRE-TENSION	CLADDING	Aggregate Test		Reinforcing Steel Welding Insp		Unit Weights			
				Reinforcement Test		Metal Stud Welding Inspection		Placement Insp			
				Placement Insp.		Concrete Inset Welding Inspection		Sample & Test			
				Tendon Test		Structural Masonry					
				Mix Designs		Special Inspection Stresses Used					
				Preliminary Acceptance (masonry units, wall prisms)							
				Subsequent Tests (mortar, grout, field wall prisms)							
				Placement Inspection of Units							
PIERS	POST-TENSION	PRE-TENSION	CLADDING	Concrete Batching		Fireproofing					
				Concrete Placement		Placement Inspection		Thickness Test			
				Installation Insp.		Density Tests		Inspection Batching			
				Cast Samples		Mastic & Intumescent Coatings					
				Compression Test							
Green Building Cert.				C&D Tracking							
HERS Verification				Site Drainage							
PSL (sewer lateral Cert)				Grading		Seismic Force Resistive System		Special Case			

Additional Instructions/Inspections Required:

1	FOUNDATION Major Inspection	2	FIRST FLOOR Major Inspection	3	FRAME Major Inspection	4	FINAL Major Inspection	5	SITE
ELECTRICAL		ELECTRICAL		ELECTRICAL		ELECTRICAL		PRE-CONSTRUCTION	
RE 10	CONSTRUCTION POWER	RE 20	UNDERFLOOR	RE 30	SUBPANEL / FEEDER	RE 42	UTILITY RELEASE	S 50A	PRE-CON MEETING
RE 11	UFER			RE 31	INTERIOR / EXTERIOR WIRING	RE 43A	ENERGY CODE	S 50B	OBSTRUCT/ ENCROACH
RE 12	UNDERGROUND			RE 32	BOX MAKE-UP	RE 43B	CALGreen	S 50C	SURVEY/ ELEVATION
				RE 33	SMOKE & CO ALARMS			S 50E	RUNOFF & CREEK PROTECTION
				RE 38	Rough	RE 86	FINAL ELECTRICAL 2-19-19	S 50F	VEGETATION/TREE PROTECTION
PLUMBING		PLUMBING		PLUMBING		PLUMBING		PLUMBING	
RP 10	UNDERGROUND	RP 20	UNDERFLOOR	RP 30	DWV PIPING	RP 40	WATER SERVICE	S 50H	DUST & EROSION CONTROL
RP 11	BACKWATER VALVE			RP 31	GAS PIPING	RP 41	GAS TEST	S 50K	EXCAVATION SHORING
				RP 32	WATER PIPING	RP 42	UTILITY RELEASE	S 50L	TRAFFIC CONTROL & PARKING
				RP 33	TUB / SHOWER PAN	RP 43A	ENERGY CODE	S 50M	BLIGHT / NOISE / TOILET
				RP 34	ANTI-SIPHON VALVE	RP 43B	CALGreen	PX 51	SIWALK / DRIVEWAY
				RP 38	Rough	RP 86	FINAL PLUMBING 2-19-19	PX 86	EBMUD LATERAL CERT
MECHANICAL		MECHANICAL		MECHANICAL		MECHANICAL		INFRASTRUCTURE	
RM 10	UNDERGROUND	RM 20	UNDERFLOOR DUCTS	RM 30	FLUE	RM 40	EQUIPMENT	PZ 50	SEWER / BACKWATER
RM 11	RADIANT / COILS	RM 21	RADIANT / COILS	RM 31	RADIANT/ COILS	RM 41	OK TO FIRE TEST	PZ 51	DRAINAGE/STORM DRAIN
				RM 32	DUCT (LOW PRESSURE)	RM 43A	ENERGY CODE	PZ 53	HARDSCAPE
				RM 33	MANUF FIREPLACE	RM 43B	CALGreen	PZ 54	SHARED DRIVEWAY
				RM 34	COMBUSTION AIR			PZ 55	C3 FACILITY
				RM 35	EXHAUST DUCTS			PZ 86	FINAL INFRASTRUCTURE
				RM 38	Rough	RM 86	FINAL MECHANICAL 3-8-19	6	GRADING
BUILDING		BUILDING		BUILDING		BUILDING		BUILDING	
RB 10	SETBACK	RB 20	FLOOR ELEVATION	RB 30	BUILDING HEIGHT/MASS DESIGN	RB 40	DECK / RETAINING WALL	GR 50	SUBGRADE
RB 11	SURVEY / STAKING	RB 21	PRE-FRAME ROOF HEIGHT	RB 31	ROOF FRAMING & NAILING	RB 41	CONDITIONS OF APPROVAL	GR 51	PAD ELEVATION
RB 12	SP INSPECT REPORT	RB 22	SP INSPECT REPORT	RB 32	SP INSPECT REPORT	RB 42	SP INSPECT REPORT	GR 52	SP INSPECT REPORT
RB 13	PIERS			RB 33A	FIRE RATED ASSEMBLY	RB 43A	ENERGY CF-6R	GR 86	FINAL GRADING
RB 14	FOOTING / GRADE BEAM			RB 33B	SOUND ASSEMBLY	RB 43B	CALGreen	7	FIRE MARSHALL
RB 15	PERFORATION FOR EPOXY			RB 34A	SHEAR INTERIOR	RB 43C	GPR COMPLIANCE	FM 50	FIRE SPRINKLER
RB 16	SLAB FLOOR / VAPOR BARRIER			RB 34B	SHEAR EXTERIOR	RB 44	SMOKE & CO ALARMS	FM 50	OK TO CONCEAL
RB 17	WP PROTECTION & DRAINAGE	RB 25A	FLOOR FRAMING	RB 35A	FLOOR & WALL FRAMING	RB 45	RECYCLING CDSR	FM 50	FIRE ALARM
RB 18	MASONRY WALLS	RB 25B	INSULATION	RB 35B	INSULATION			FM 50	STANDPIPE
RB 19	MECHANICAL ANCHORS			RB 36A	LATH			FM 50	EMERGENCY LIGHTING
				RB 36B	WP MEMBRANE			FM 86	FIRE/SMOKE DAMPER
				RB 37	EGRESS WINDOWS SAFETY GLAZING			8	FINAL FIRE (510) 238-3851
				RB 38	OK TO COVER	RB 48	OK TO OCCUPY	ZC 58	PLANNING
				RB 39A	TUB / SHOWER WALL			ZC 59A	ROUGH
				RB 39B	GYPSUM WALLBOARD			ZC 59B	LANDSCAPE / HARDSCAPE
				RB 39C	FIRE SAFING	RB 86	FINAL BLOG 3-8-19	ZC 86	SITE IMPROVEMENTS
1	FOUNDATION APPVD	2	FIRST FLOOR APPVD	3	FRAME APPVD	4	RESIDENCE FINAL	9	FINAL ZONING
						98		99	PROJECT FINAL

Correction Notice

250 Frank H. Ogawa Plaza. Suite 2340
Oakland CA, 94612

Tel: 510-238-3444

Location:

2836 CARMEL ST, Oakland, CA, 94602

Inspection Date:**Record Type:**

Residential Combo

Record ID:

RBC1900396

Inspection Type:

Final - Building

Inspector:

Greg Clarke

Result:

Partial

Comments:

Building final okay pending all trade finals.

Mechanical-•need to remove the aluminum flexible kitchen exhaust and install 26 ga. galvanized sheet metal duct,• Hers duct test required,• need to supply owners manual for the FAU.

Electrical-•Need to label all breakers, need to install AFCI breakers as per CEC210.12a, need to label receptacle under kitchen sink (dishwasher/garbage disposal).

Plumbing final okay

Violation Summary:

Inspector

Contractor



**Regional Private Sewer
Lateral Program**

Compliance Certificate for Private Sewer Lateral

Parcel Address: **2836 CARMEL ST, OAKLAND** Certificate Number: **527796**
 Parcel Number: **029-0982-057-02** Issue Date: **06/13/2017**
 Expiration Date: **06/13/2024** Type: **Compliance: repaired lateral**

Special Instructions:

Retain this PSL certificate for your records for any future parcel sale, re-model greater than \$100,000, or change of water meter size.

This certificate was issued solely on the basis of the performance of the tested sewer lateral in a verification test performed in the presence of EBMUD personnel. The verification test is designed for the sole purpose of determining whether the tested portion of a sewer lateral is free from leaks at the time the test is performed. By issuing this certificate, EBMUD warrants only that the tested portion of the sewer lateral passed a verification test on the date indicated. EBMUD makes no warranty, representation, or guarantee as to the sewer laterals existing or future condition or its compliance with the legal standards of any other jurisdiction, including building or construction standards without limitation. EBMUD expressly disclaims any and all warranties, both express and implied, as to the sewer laterals condition or compliance with legal standards and shall bear no liability in connection therewith.

**RECEIVED AND READ
DATE** _____

DocuSigned by:

Kevin Bai

60ABEF06D2B5427...

DocuSigned by:

Julia X. Song

164AB7A2BC8040F...



PRIVATE SEWER LATERAL INSPECTION RECEIPT

Date: 06-13-17

Parcel: 029 - 0988 - 057 - 02

Time: _____

Address: 836 CANINE ST.

City: Oklawaha Zip: 32902

Lateral Location: From end of 3 houses to street corner

Test:	<input checked="" type="checkbox"/> UPPER LATERAL	<input checked="" type="checkbox"/> LOWER LATERAL
	PASS FAIL	PASS FAIL N/A

NO TEST PERFORMED

Inspector Name: [Signature] PSL Scheduling: (510) 287-1599

Signature: [Signature]

WHITE: PSL Owner
YELLOW: Contractor
PINK: EBMUD

JOB SITE

Permits for which no major inspection has been required within 90 days shall expire by expiration. No refund more than 180 days after expiration of final.



- SL and X permits valid 90 days
- CGS permit valid 30 days

CHECK REVERSE →

CITY OF OAKLAND DEPT OF PUBLIC WORKS 4th FLOOR
 250 FRANK H. OGAWA PLAZA ▪ **2ND FLOOR** ▪ OAKLAND, CA 94612

Planning and Building Department
 www.oaklandnet.com

To schedule inspection
 Email: pwa_inspections@oaklandnet.com or call 510-238-3651

PH: 510-238-3651
 FAX: 510-238-3162
 TDD: 510-238-3254

Permit No: SL1701154 OPW - Sewer Lateral Filed Date: 5/16/2017

Job Site: 2836 CARMEL ST Schedule inspection by calling 510-238-3651

Parcel No: 029 098205702

For SL; X; and CGS permits see SPECIAL NOTE below

District:

Project Description: Repair/replace building sewer ON PROPERTY ONLY. SL & X required beyond PL. Overflow device may be needed.
 If working within 25' feet of a monument you must comply with State Law 8771, contact the Inspector prior to starting excavation: minimum \$5,800.00 fine for non-compliance.
 USA # and date must be provided in order to have a permit issued. Permit valid for 90 days. Call PWA INSPECTION prior to start: 510-238-3651 or email PWA_inspections@oaklandnet.com.
 USA # x713500747

Related Permits:

	<u>Name</u>	<u>Applicant</u>	<u>Address</u>	<u>Phone</u>	<u>License #</u>
Owner:	CHAVEZ JANET TR		4333 SANTEE RD FREMONT, CA		
Contractor-Employee:	CATHERINE ARECHIGA	X	305 WILLOW AVE HAYWARD, CA	(510) 481-1555	
Contractor:	STAR ROOTER AND PLUMBING INC		305 WILLOW AVE HAYWARD, CA	(510) 481-1555	884481

ADDRESS

6/12/17 Full Lateral Repair

 EDMUND H. BLUM

PERMIT DETAILS: Building/Private Infrastructure/Sewer Lateral/NA
General Information
 Sewer Type: Repair, Extension/Replacement Street Excavation Permit Required:
 Special Provisions: Tree Removal Involved:

TOTAL FEES TO BE PAID AT FILING: \$409.70

Application Fee	\$70.00	Records Management Fee	\$33.92	Sewer Repair, Extension or Replacement	\$287.04
Technology Enhancement Fee	\$18.74				

Plans Checked By _____ Date _____ Permit Issued By YV Date 5/16
 Finalized By Fred Hester Date 6/9/17

APPLICATION

SPECIAL NOTE

- SL; X; and CGS permits: prior to start, email pwa_inspections@oaklandnet.com or call 510-238-3651
- SL and X permits valid 90 days
- CGS permit valid 30 days

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

BUILDING NO	STREET, CITY, STATE, ZIP	Date of Inspection	No. of Pages
2836	Carmel Street, Oakland CA 94602	11/27/2018	7

McDonald Termite Control
230 F Street
Martinez, CA 94553
Tel: (510) 525-2202 or (510) 714-7302
Email: john@mcdonaldtermite.com

Firm Registration No. PR 6526	Report No. 7177	Escrow No.
Ordered By: C/O Christian Thede 2836 Carmel Street Oakland, CA 94602	Property Owner/Party of Interest Kevin Tsai 2836 Carmel Street Oakland, CA 94602	Report Sent To: C/O Christian Thede 2836 Carmel Street Oakland, CA 94602

COMPLETE REPORT
 LIMITED REPORT
 SUPPLEMENTAL REPORT
 REINSPECTION REPORT

General Description: One-story, single family dwelling constructed on concrete foundations and slab floors with stucco exteriors.

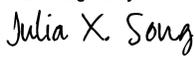
Inspection Tag Posted: Sub area marked: JM/TS
 Other Tags Posted: None to date.

An inspection has been made to the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.

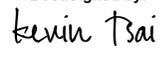
Subterranean Termites
 Drywood Termites
 Fungus/Dryrot
 Other Findings
 Further Inspection

If any of above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items.

RECEIVED AND READ
DATE _____

DocuSigned by:

 164AB7A2BC8040F...

NOTE: DIAGRAM IS DISPLAYED ON PAGE 2

DocuSigned by:

 60ABEF06D2B5427...

Tracey Schwartz
 John McDonald

Inspected by John McDonald/Tracey Schwartz State License No. OPR8701/OPR13370 Signature _____

2nd

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

2836

Carmel Street, Oakland CA 94602

11/27/2018

7177

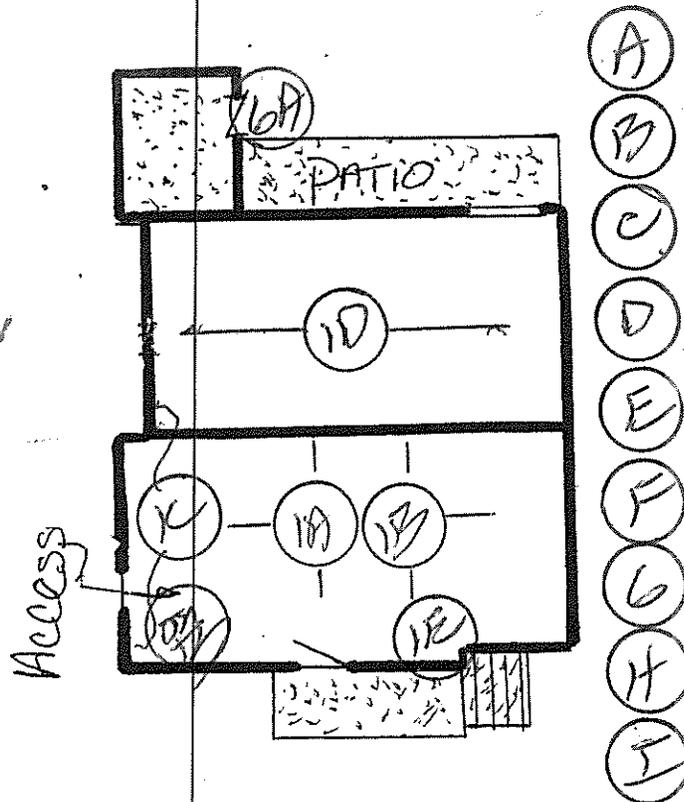
BUILDING NO

STREET, CITY, STATE, ZIP

INSPECTION DATE

REPORT NO.

Diagram not to scale:



3rd

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

2836	Carmel Street, Oakland CA 94602	11/27/2018	7177
BUILDING NO	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO.

THIS IS A STRUCTURAL PEST CONTROL REPORT: NOT A BUILDING INSPECTION REPORT THEREFORE NO OPINION IS BEING RENDERED REGARDING THE STRUCTURAL INTEGRITY OF THIS BUILDING

A Wood Destroying Pest & Organism Inspection Report contains findings as to the presence or absence of evidence of wood destroying insects or organisms in visible and accessible areas on the date of inspection, and contains recommendations for correcting any infestation, infections, or conditions found. The contents of Wood Destroying Pest & Organism Inspection Reports are governed by the Structural Pest Control Act and its rules and regulations.

The Structural Pest Control Act requires inspection of only those areas which are visible and accessible at the time of inspection. Some areas of the structure are not accessible to inspect, such as inaccessible attics or portions thereof; the interior of hollow walls; spaces between a floor or porch deck and the ceiling or soffit below; such structural segments as enclosed bay windows, buttresses, and similar areas to which there is no access without defacing or tearing out lumber, masonry or finished work; built in cabinet work; floors beneath coverings, areas where storage conditions, furnished interiors or locks make inspection impracticable. These areas will be inspected if they are made accessible by the owner at his expense.

NOTE: It is not economically feasible to open and check areas mentioned above and similar enclosed conditions. These areas are excluded from this report. Also, detached wooden fences, garden trellises, and similar detached appetencies are not part of this report. This inspection covers the structure indicated on the diagram.

Showers over ceilings are not water tested unless water stains are evident below. In which case, recommendations will be made for further testing.

THE EXTERIOR SURFACE OF THE ROOF WILL NOT BE INSPECTED. IF YOU WANT THE WATER TIGHTNESS OF THE ROOF DETERMINED, YOU SHOULD CONTACT A ROOFING CONTRACTOR WHO IS LICENSED BY THE CONTRACTOR'S STATE LICENSE BOARD.

This property was not inspected for the absence of health related molds or fungi. By California law we are neither qualified or authorized, nor licensed to inspect for health related molds or fungi. If you desire information about the presence or absence of health related molds, you should contact an industrial hygienist.

NOTE: WE DO NOT REMOVE FLOOR COVERINGS AT THE TIME OF OUR INSPECTION. WE ASSUME NO REponsibility FOR ANY DAMAGE DETECTED TO ANY WOOD FLOORS AFTER THE FLOOR COVERINGS HAVE BEEN REMOVED. THESE AREAS WILL BE INSPECTED IF THEY ARE MADE ACCESSIBLE PRIOR TO OUR INSPECTION.

Thank you for calling McDonald Termite. For any questions regarding this report, please contact our office at (510)525-2202 or e-mail john@mcdonaldtermite.com

NOTICE: REPORTS ON THIS STRUCTURE PREPARED BY VARIOUS COMPANIES SHOULD LIST THE SAME FINDINGS (I.E. TERMITE INFESTATION, TERMITE DAMAGE, ETC...) HOWEVER RECOMMENDATIONS TO CORRECT THESE FINDINGS MAY VARY FROM COMPANY TO COMPANY...YOU...HAVE A RIGHT TO SEEK A SECOND OPINION...FROM ANOTHER COMPANY.

When Work Is Recommended

McDonald Termite Control agrees to use all reasonable care in the performance of our work, but we cannot assume any responsibility should any damage occur to plumbing pipes, electrical pipes imbedded in the ground or overhead, roof or other facilities, plants and shrubs, or for injuries or death of animals.

Pesticides are the products McDonald Termite Control uses to control the target pests listed in your inspection. Pesticides make a better life for all of us. They help control disease carriers thus protecting your health and property. When properly used, pesticides pose no problem to man or the environment. Your mcdonald termite

4th

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

2836	Carmel Street, Oakland CA 94602	11/27/2018	7177
BUILDING NO	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO

Control technician is a state certified applicator and is constantly being upgraded by our training sessions. If you have any questions please call the following number at (510)525-2202 or e-mail john@mcdonaldtermite.com

NOTE: It is recommended that building permits be obtained for all work requiring permits, prior to beginning the recommended repairs. For information concerning the building department and permit requirements, contact the local building department. Work performed as required under a permit from the building department should be approved, accepted and signed off by the department prior to considering such work to be completed. Building department may require installation of smoke/heat detectors as a condition of obtaining a building permit.

This company will re-inspect repairs done by others within four(4) months of our original inspection. A charge, if any, cannot be greater than the original inspection fee for each re-inspection. The re-inspection must be done within ten (10) working days of the request. The re-inspection is a visual inspection, and, if inspection of concealed areas are desired, inspection of work in progress will be necessary. Any guarantees must be received from parties performing repairs.

NOTE: The charge for services that this company subcontracts to another licensed company may include the companies charges for arranging and administering such services in addition to the direct costs associated with paying the sub contractor. You may accept McDonald Termite Control bid, or you may contract directly with another licensed company. McDonald Termite Control will not be responsible for any act or omission in the performance of work that you directly contract with another to perform.

NOTE: If any infestation, infection or damage is discovered in a concealed area during the course of performing any recommendations on this report, or any remodel work, this company will file a supplemental report. This company is not responsible for controlling such infestation or infections nor responsible for controlling such damage. If the additional work is within the scope of this companies operation a cost will be provided with the supplemental report.

All payments are due upon completion of work. In the event an attorney is employed to enforce payment, the under-signed agrees to pay reasonable attorney fees and other costs of collection. Any balance after thirty(30)days will be subject to a 1 1/2% finance charge on the unpaid balance.

Under California Mechanics lien law, any structural pest control operator who contracts to do work for any contractor, subcontractor, laborer, supplier or their person who helps to improve your property, but has not paid for his work or supplies, has a right to enforce a claim against your property. This means that after a hearing, your property could be sold by a court officer and the proceeds of the sale use to satisfy the debt. This can happen even if you have paid your contractor in full, if the subcontractors, laborers, or suppliers remain unpaid. We reserve the right to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are required to provide you with a document entitled "Preliminary Notice". General contractors and laborers for wages do not have to provide this notice. A preliminary notice is not a lien against the property. It's purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.

This is a seperated report; it is defined as Section 1 and Section 2 conditions evident on the date of inspection.

Section 1: Contains items where evidence exists of active infestation, infection or condition that have resulted in or from infestation or infection.

Section 2: Contains items deemed likely to lead to infestation or infection, but where no visible evidence of such was found.

Further Inspection: Contains items defined as recommendations to inspect area(s)which, during the original inspection, did not allow the inspector access to complete the inspection and cannot be defined as Section 1 or Section

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2836 Carmel Street, Oakland CA 94602

11/27/2018 7177

BUILDING NO

STREET, CITY, STATE, ZIP

INSPECTION DATE

REPORT NO

SUBAREA-VENTILATION:

ITEM 1A Fungus infected wood scraps and debris are littering the subarea soil.

RECOMMENDATION: Remove all wood scraps and debris of a cellulose nature and of a size large enough to rake and dispose of same.

\$250.00

***** This is a Section 1 Item *****

ITEM 1B The sub area soil was noted to be slightly damp during this inspection indicating moisture intrusion during winter months.

RECOMMENDATION: For further information concerning dampness or drainage during inclement weather, interested parties will need to refer to a licensed drainage contractor.

Refer to Drainage

***** This is a Section 2 Item *****

ITEM 1C Damage by dryrot decay and past subterranean termites noted to the 2X4 plate material and sheathing in the sub area along the locality indicated on the diagram.

RECOMMENDATION: Cut out the damage and structurally weakened wood members, re-support with new materials as required.

\$1200.00

***** This is a Section 1 Item *****

ITEM 1D The rear portion of the sub area was inaccessible for a physical inspection due to the fact that others have closed and placed stucco over the access opening which was originally on the outside of the structure.

RECOMMENDATION: Homeowner engage an appropriate contractor to re-install a new access opening in order to gain access into this portion of the sub area at which time McDonald Termite Control will return to the property to perform a further inspection and issue a supplemental report stating conditions found.

Further Inspection: \$100.00

***** Unknown Further Inspection Recommended *****

ITEM 1E Some scattered decay noted to the lower stucco sheathing and the 2X4 triple-stud adjacent to the porch and steps.

RECOMMENDATION: Cut out the damaged framing, re-support with new materials as required.

\$295.00

***** This is a Section 1 Item *****

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BUILDING NO	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO

EXTERIORS-ABUTMENTS:

ITEM 6A This rear utility room exterior door and door jambs were damaged by dryrot decay.

RECOMMENDATION: Remove the door and door jambs, replace with a new pre-hung exterior entry door. Existing door hardware to be re-utilized.

\$850.00

***** This is a Section 1 Item *****

GENERAL CONDITIONS

- A. Our inspection is limited to visible and accessible areas only. Should interested parties desire a further inspection of any inaccessible area it would be done upon request and for an additional cost.
- B. The kitchen floor surface is tile, and the counter-top is cultured stone. These surfaces appear to be serviceable.
- C. The hall bathroom floor surface is tile, and the tub shower is tile. These surfaces appear to be serviceable.
- D. The utility room floor is exposed concrete, and appears to be serviceable.
- E. Evidence of previous subterranean termites noted in the subarea. No active infestation was noted at this time to warrant chemical treatment. Periodic inspection of this area by a licensed professional in this field is advised as part of general property maintenance.
- F. Others have performed repairs to the structure. McDonald Termite Control does not guarantee the quality, workmanship or materials used by others. Further information or guarantees being desired concerning these repairs should be obtained from the present homeowner or contractor performing same.
- G. Interior and exterior surfaces around the perimeter of this structure will need to be kept well sealed and painted. Water prone wall and floor areas also need to be kept well sealed and grouted as part of general property maintenance.
- H. The roof covering, gutters and downspouts were not inspected and no guarantees are given to same and further information or guarantees being desired should be obtained from a licensed roofing contractor.
- I. No representations will be made by this firm regarding plumbing, heating or electrical systems except as pointed out in the body of this report. Further information being desired concerning the above should be obtained from the appropriate trades.

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BUILDING NO.	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO.

NOTE: There may be health related issues associated with the findings reflected in this report. We are not qualified to and do not render any opinion concerning such health issues. The inspection reflected by this report was limited to visible and accessible areas only. Questions concerning health related issues, which may be associated with the findings or recommendations reflected in this report, the presence of mold and the release of mold spores or concerning indoor air quality should be directed to a Certified Industrial Hygienist.

WARNING: Repairs by this company to residences built before 1978 may disturb materials containing lead-based paint and may release debris or dust containing lead. Lead is a chemical known to the State of California to cause cancer and birth defects or other reproductive harm. (This notice is provided in compliance with Californias Proposition 65). For further information, contact your health care provider or an industrial hygienist. A licensed pest control inspector is not an expert in lead, lead-based paint, or exposure to lead. This report is not intended to identify the presence or absence of lead or lead-based paint in the building inspected. Whether lead-based paint is present can be determined only by a certified lead inspector. For a list of certified lead inspectors call the California Department of Health Services Lead-Related Construction information Line at (800) 597-5323 or (510) 869-3953).

PRIOR TO WORK BEING PERFORMED ALL PAINTED SURFACES OF HOMES BUILT BEFORE 1978 WILL BE TESTED FOR LEAD. SHOULD THE PAINTED SURFACES CONTAIN LEAD THERE WILL BE FURTHER TESTING BY A HYGIENIST FOR LEAD BASED PAINT. ADDITIONAL CHARGES FOR THESE TESTS WILL BE GIVEN UPON REQUEST. THERE WILL ALSO BE ADDITIONAL CHARGES FOR REPAIRS SHOULD THE PAINT CONTAIN ANY LEAD.

McDonald Termite Control
 230 F Street
 Martinez, CA 94553
 Tel: (510) 525-2202 or (510) 714-7302
 Email: john@mcdonaldtermite.com

WORK AUTHORIZATION CONTRACT

Address of Property: 2836 Carmel Street, Oakland CA 94602
 Inspection Date: 11/27/2018
 Report #: 7177
 Title Co. & Escrow #:

SECTION 1	SECTION 2	FURTHER INSPECTION
1A \$ 250.00 1C \$ 1200.00 1E \$ 295.00 6A \$ 850.00	1B Refer Draina	1D \$ 100.00

We Authorized the Following Section 1 Items to be Performed.

1A, 1C, 1E, 6A

We Authorized the Following Section 2 Items to be Performed.

1B

We Authorized the Following Items for Further Inspection.

1D

Proposed Cost Section 1: \$2,595.00

Proposed Cost Section 2: \$0.00

Proposed Cost Fur.Insp.: \$100.00

Total - All Sections: \$2,695.00

NOTICE TO OWNERS: Under California Mechanics Lien Law any structural pest control company which contracts to do work for you any contractor, subcontractor, laborer, supplier or other person who helps to improve your property but is not paid for his or her work or supplies has a right to enforce a claim against your property. This means that, after a court hearing, your property could be sold by the court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural pest control company in full, if the subcontractor, laborer, or supplier remains unpaid. To preserve their right to file a claim or lien against your property, certain claimants such as contractors or materials suppliers are required to provide you with a document entitled "Preliminary Notice." A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.

I have read this work authorization contract and WDO inspection report it refers to.
SIGNED WORK AUTHORIZATION CONTRACT MUST BE RECEIVED BEFORE WORK WILL BE SCHEDULED.
 I have read and understand the terms of this work authorization contract and hereby agree to all

APPROVED AND READ BY:

DATE

ACCEPTED FOR:

MCDONALD TERMITE CONTROL

DATE

McDonald Termite Control
230 F Street
Martinez, CA 94553
Tel: (510) 525-2202 or (510) 714-7302
Email: john@mcdonaldtermite.com

WORK AUTHORIZATION CONTRACT

Address of Property: 2836 Carmel Street, Oakland CA 94602
Inspection Date: 11/27/2018
Report #: 7177
Title Co. & Escrow #:

CUSTOMER INFORMATION

The total amount of this contract is due and payable upon completion of the work listed above unless otherwise specified. Only the work specified in the contract is being done at this time due to owners wishes. ANY WORK PERFORMED AGAINST AN EXISTING TITLE ESCROW WILL BE THE FINANCIAL RESPONSIBILITY OF THE PARTY ORDERING THE INSPECTION REPORT, IN THE EVENT OF A CANCELLED TITLE ESCROW.

Work completed (LABOR) by operator shall be guaranteed for a period of one year from completion. Toilet plumbing(parts supplied by this firm), showers, floors or any measures for the control of moisture are guaranteed for (30) days only. Chemical treats are guaranteed for two years. Only the areas treated are guaranteed.

Customer agrees to hold company harmless for any damage which may occur to plant life, wiring, trees, vines, pets, tile roofs, plumbing leaks, or changes beyond control of the company which may occur during the performance of this work. In case of non-payment by owner, reasonable attorney's fees and costs of collection shall be paid by the owner, whether suit be filled or not. A SERVICE CHARGE OF 1-1/2 PERCENT, PER MONTH WILL BE CHARGED ON ALL BALANCES OVER (30) DAYS. THE 1-1/2 PERCENT, PER MONTH, EQUALS 18 PERCENT PER ANNUM ON THE UNPAID BALANCES.

Any additional damage found while work is being performed will be supplemented by a report as to additional findings and costs.

All repairs performed by others must be re-inspected by OUR COMPANY before a CERTIFICATION will be issued. We do not guarantee work completed by others. Any repairs completed by others must be guaranteed in writing and submitted to OUR COMPANY before a CERTIFICATION will be issued. This firm does not make statements concerning workmanship. Workmanship is only determinable by those paying for or receiving those services.

If at the time of repairs to decks, the damage is found to be more extensive, a Supplemental report will be given along with a bid for any other corrections that maybe necessary.

A re-inspection of specific items on the report or of any other conditions pertaining to this structure can be done at an ADDITIONAL COST PER TRIP. The re-inspection must be done within (4) months of the original inspection.

Our inspectors are not equipped with 40 ft. ladders therefore all two story building will not be inspected at the eaves unless requested.

NOTE: Inspection fee is billed separately above any work costs.

MOLD DISCLAIMER: There may be health related issues associated with the structural repairs reflected in the inspection report referenced by this Work Authorization Contract. These health issues include but are not limited to the possible release of mold spores during the course of repairs. We are not qualified to and do not render any opinion concerning such health issues or any special precautions. Any questions concerning health issues or any special precautions to be taken prior to or during the course of such repairs should be directed to a Certified Industrial Hygienist before any such repairs are undertaken.

BY EXECUTING THIS WORK AUTHORIZATION CONTRACT, CUSTOMER ACKNOWLEDGES THAT HE OR SHE HAS BEEN ADVISED OF THE FOREGOING AND HAS HAD THE OPPORTUNITY TO CONSULT WITH A QUALIFIED PROFESSIONAL.

INVOICE

McDonald Termite Control
230 F Street
Martinez, CA 94553
Tel: (510) 525-2202 or (510) 714-7302
Email: john@mcdonaldtermite.com

DATE REPORT # ESCROW #
11/28/2018 7177

PROPERTY LOCATION
2836 Carmel Street, Oakland CA 94602

TO: Kevin Tsai
2836 Carmel Street
Oakland, CA 94602

11/27/2018	Inspection	\$225.00
11/28/2018	Payment	-\$225.00

Balance Due: \$0.00

RETAIN THIS COPY FOR YOUR RECORDS

DUE AND PAYABLE WITHIN 10 DAYS

1.5% per month charged on all past due accounts. This is an annual percentage rate of 18%
(Interest charged pursuant to the Robinson-Patman Act)

NOTICE: "Under the Mechanics'Lien law, any contractor, subcontractor, laborer, supplier or other person who helps to improve your property but is not paid for his work or supplies, has the right to enforce a claim against your property. This means that after a court hearing, your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your own contractor in full, if the subcontractor, laborer, or supplier remains unpaid."

THANK YOU FOR YOUR BUSINESS



Inspection Report

Inspection Date:
11/28/2018

Inspection Address:
**2836 Carmel St
Oakland, CA**

Prepared For:
Kevin Tsai

Prepared By:
JMC Building Inspections
1410 Alcatraz Ave
Berkeley, CA 94702
(510) 525-7173

Report Number:
H1128

Inspector:
Paul Barraza
ASHI Certified Inspector #249126
Master CREIA Inspector #155055



**RECEIVED AND READ
DATE _____**

Agent Information:
Christian Thede
Northbrae Properties
1600 Hopkins Street
Berkeley, CA 94707

DocuSigned by:
Kevin Tsai
60ABEF06D2B5427...

DocuSigned by:
Julia X. Song
164AB7A2BC8040F...

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Overview

DESCRIPTION

Weather:	• Overcast
Temperature at Start:	• 50 - 60° F
Property Orientation:	• The front of the building faces the street
Property Age:	• 1943, from public information
Property Type:	• Single family
Attendance:	• Worker

OBSERVATIONS & RECOMMENDATIONS

IMPORTANT NOTICE

We performed this inspection for the exclusive use of the client(s) named in this report. If anyone other than our client(s) for this inspection reads this report, we wish to emphasize that by contract, **our sole responsibility is to our client(s) and no third party may rely on this report** for any purpose. If anyone else wishes to obtain current information on the condition of this property, we can perform, for a fee, a follow-up inspection on their behalf. This report is only valid for six months after the inspection date. After that date, the property should be re-inspected.

Pre-Listing Inspection

This report may be used a pre-listing inspection report. We strongly recommend that interested parties retain JMC Building Inspections, or another qualified inspection company, to provide either a 'walk through' review, or another complete inspection, to more fully understand the findings of the inspector and to avoid any possible misinterpretation of the comments included in this report or the findings of the inspector. This report represents conditions observed *at the time of the inspection only*, and conditions may have changed since that time.

Multiple Buildings on Property

There are three buildings on this property. 2836 Carmel is discussed in detail in this report (H1128). 2838 Carmel is discussed in a separate report (H1129); and 2840 Carmel is discussed in another report (H1130). There may be conditions on the exterior that pertain to the property as a whole but are only discussed in one report. All reports should be read and considered to determine conditions pertaining to the property as a whole.

Evidence of a Remodel or Addition

It appeared that parts of the property were remodeled and/or the building were extended by the construction of an addition, subsequent to original construction. Confirmation should be obtained from the owner, or in their absence the local building department, that all necessary permits for appropriate construction and/or remodeling were secured, appropriate inspections were performed and all requisite final signatures have been obtained.

A Special Invitation When Our Clients Are Not Present At Their Inspection

We always encourage our clients to join us for their inspection. For those who are able to do so always enjoy many benefits when they are present that they would otherwise miss if they are unable to attend. Since you were unable to attend, we encourage you to read through this inspection report carefully, then please do not hesitate to call us at (510) 525-7173 with any questions which you may have. It is of utmost importance that you thoroughly understand the findings that we have presented in your report. Thank you for selecting us for your inspection services. We are available by telephone at any time that you have further questions.

This is a Multi-Family Property

This property contains multiple units to serve as living quarters for multiple families. We recommend consulting with the local housing department regarding any special regulations that might apply to this property.

Location/Direction Conventions Used In This Report

The "right side" or "left side" of a building are assigned as if we were standing at the street and were looking towards the front of the building. Locations will be described as "left" or "right", "front" or "rear", and "right front". (For example, "left front" would be the left side, toward the front).

Comments in Blue with Symbol

Some of the report comments are in blue and have an exclamation mark icon, which is our way of highlighting comments that are also in the Primary Recommendations section at end of this report. To learn about the purpose and scope of the Primary Recommendations section, please see that section.

Photographs In This Report

The photos included in this report are for illustrative purposes only. Not every condition or observation will have an associated photo. There is no relationship between the presence or absence of a photograph and the relative importance of, or quantity of, each condition represented. Significant findings may or may not include an accompanying photo.

This Report is a Snapshot in Time

As with any inspection of this nature, the conditions described in this report are only a snapshot in time. Conditions will most certainly have changed since the date of inspection, and will continue to change as the property and its components age. Changes in occupancy and the behavior of residents can also change or affect conditions in and around the property. We do not offer a guarantee or warranty as to the performance of this property in the future.

A Definition of the Terms “Acceptable” and “Satisfactory” as Used in this Report

When any item in this report is noted as being in “acceptable” or “satisfactory” condition, the meaning is that it was providing generally adequate service within the limits of its age - and any defects, deficiencies or potential problems noted during the inspection.

Not Inspecting for Building Code Violations

The presence or extent of building code violations was not the subject of this inspection, nor was it included in the report. No warranty is offered on the legal use, or uses of the property. Information with regard to these issues may be available from the appropriate building department and/or zoning agency.

Environmental Issues Are Excluded

Environmental hazards or conditions, including, but not limited to, toxic, reactive, combustible or corrosive contaminants, wildfire, geologic or flood hazards are specifically excluded from this inspection and report.

We Evaluate for Function, Operability and Condition

The purpose of this inspection is to evaluate the property for function, operability and condition of systems and components. Its purpose is not to list or attempt to address cosmetic flaws. It is assumed that the client will be the final judge of aesthetic issues as the inspector's tastes and values will always be different from those of the client.

Important Information May be Found in the Public Records

Important information about this property may be a matter of public record. However, search of public records is not within the scope of this inspection. We recommend interested parties thoroughly review all appropriate public records and disclosures.

A Building Inspection, Not a Pest Inspection

Any observations made in this report regarding evidence of pests or wood destroying organisms, are not a substitute for inspection by a licensed structural pest inspector or exterminator. Your inspector may only report on a portion of the currently visible conditions and cannot render an opinion regarding their cause or remediation.

Sources of Energy Conservation Information in California

Consumer-related questions regarding energy conservation, and programs available to assist owners in financing energy conservation projects, can be obtained by contacting the gas and electric service provider or Energy Upgrade CA: <https://www.energyupgradeca.org>

Structure

DESCRIPTION

Foundation Types:	<ul style="list-style-type: none">• Perimeter wall with crawl space
Foundation Materials:	<ul style="list-style-type: none">• Concrete
Floor Structure:	<ul style="list-style-type: none">• Wood joists with wood plank subfloor
Interior Supports:	<ul style="list-style-type: none">• Post and piers • Intermediate support walls
Wall Structure:	<ul style="list-style-type: none">• Wood stud
Roof Structure:	<ul style="list-style-type: none">• Wood rafter with solid board sheathing
Crawl Space Access:	<ul style="list-style-type: none">• Exterior hatch
Crawl Space Inspection:	<ul style="list-style-type: none">• Partially inspected due to restricted access
Attic Access:	<ul style="list-style-type: none">• Ceiling hatch - hallway
Attic Inspection:	<ul style="list-style-type: none">• Partial entry - clearances restricted access

OBSERVATIONS & RECOMMENDATIONS

1.0 Foundation Overview

The foundation supporting this structure was outdated by modern standards. Older foundations typically were not steel reinforced and did not have footings that extended very far into the soil. Foundations of this type are typically more susceptible to cracking, settlement, and deterioration from moisture entry, and earthquake damage. For information as to the structural adequacy of building foundations, a licensed structural engineer should be consulted.

1.1 Foundation Condition

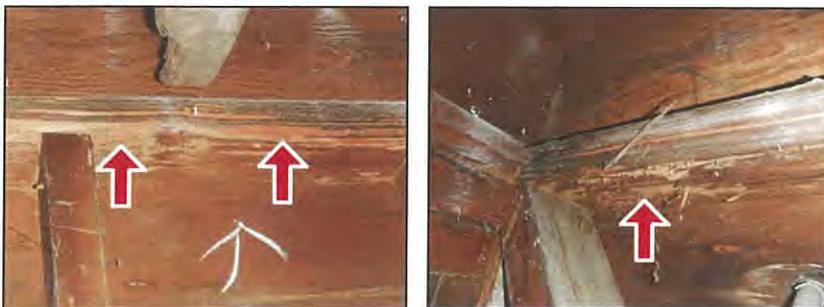
The foundation concrete was soft and had minor cracking, which is typical of foundations from this era. While the foundation may not meet current standards, it appeared to be strong enough to hold the mudsill anchors used in seismic upgrades. For a final determination of the adequacy of the foundation, a licensed structural engineer should be consulted.

1.2 Intermediate Supports

Some of the intermediate support posts and piers were installed in a substandard manner. While the existing configuration may have existed for many years, substandard construction practices are not reliable and usually get worse over time. As an upgrade, we recommend reinstallation by a licensed contractor as necessary for full support.

1.3 Cripple Walls

 The cripple wall framing was damaged by apparent wood destroying organism activity at the left side. We recommend review and repairs as necessary by a licensed contractor. If a current pest report is not available, we recommend having the property inspected by a licensed structural pest inspector for more information.



Damaged cripple walls

1.4 Floor Structure

In the areas where the floor framing was visible, it was in acceptable condition.

1.5 Seismic

Anchor bolts were not found, leading to the conclusion that too few existed, if any at all. We recommend anchoring the mudsill with bolts or other approved hardware at regular intervals to the foundation, in accordance with present standards.

The visible cripple walls were not retrofitted with bracing panels. Unbraced cripple walls are typical for buildings of this age, but the absence of bracing panels is considered a deficiency as they are prone to collapse in a large earthquake. We recommend the installation of cripple wall bracing by a licensed contractor.

! Seismic upgrades were not installed on the building substructure, and it will be prone to significant damage in a large earthquake. To strengthen the building and help prevent significant damage, we recommend seismic retrofitting by a licensed contractor who is familiar with current retrofit standards.

1.6 Moisture

The crawl space soil was wet at the front, with some of the soil in a softened or muddy condition. This is a condition conducive to structural settlement, wood destroying organism infestation, and rusting of mechanical components. We recommend review of provisions for exterior moisture management such as downspout extensions, changing landscape watering patterns, and even installation of underground drainage systems, if appropriate.

The silt marks observed on the foundation at the front were indications that standing water had collected in the crawl space at some point in the past. The crawl space should be monitored during the winter and spring for evidence of excessive moisture accumulation. Exterior drainage should be modified, to prevent excessive moisture in the crawl space.

1.7 Basement / Crawl Space Misc

! The rear crawl space was too small to enter and could not be inspected. Current standards require a minimum of 18 inches. We recommend excavations or modifications as necessary, followed by inspection, as reportable conditions could exist.

A heating system was abandoned in the crawl space, which restricted access. We recommend removal of all abandoned equipment to facilitate inspections, repairs, and maintenance.



Abandoned heating system

We observed evidence of rodent activity. The first step in eliminating rodents from the building is to seal all possible openings. Careful work sealing cracks, gaps and openings with caulking, wire mesh, wood trim and steel wool will be necessary to prevent future rodent entry. If the problem persists, we recommend obtaining the advice and services of a licensed structural pest inspector.

Wood debris was in direct contact with the crawl space soil. This condition is conducive to wood destroying organism activity. We recommend removing all wood debris as a preventive measure.

Some of the crawl space vent screens were loose or otherwise ineffective. We recommend repairing or replacing screens as necessary to help prevent the entry of rodents and other pests.

1.8 Wall Structure

The wall structure, adjacent to the finished areas of the building, was not visible; however no symptoms of non-performance were observed.

1.9 Roof Structure

Where visible, the original roof framing was in acceptable condition. It should be noted that the rafters, which are the members that support the roof sheathing, did not conform to present standards and may be susceptible to sagging and cracking when stressed.

1.10 Structure - General

Generally speaking, the visible structural elements were in acceptable condition for a building of this age and type of construction. Instances of needed repair or correction were noted in this report. A licensed contractor, possibly in conjunction with a licensed structural engineer should examine those portions of the structure specified as deficient in this report to ensure that the entire structure is safe and durable.

One or more pest inspection tags were observed at the crawl space access. We recommend reviewing all available pest reports to better understand the history and condition of the building.

LIMITATIONS / ADDITIONAL INFO

Partial Crawl Space Inspection

The crawl space could only be partially inspected because of low clearances or restricted access. Excavations or modifications should be made to provide more complete access as reportable conditions may exist.

Not All of The Rafters Were Visible

The attic was partially inaccessible and not all the rafters were visible, thus not all could be inspected.

For More Information, Consult A Structural Engineer

If there are any doubts remaining about the condition of the structural system, we recommend retaining a licensed structural engineer who is experienced in the design of residential buildings of this era, to review the structure.

Additional Crawl Space Information

The accessible areas of the crawl space were entered for a closer examination. Crawl space conditions can vary between seasons, for example dry crawl space during the summer can get very wet in the winter, and vice versa. The observations in this report are only a snapshot in time and there are many factors that can alter the amount of crawl space moisture; including: exterior drainage, landscaping, neighboring properties, underground streams, etc.

Evaluation Based On Symptoms

Most of the time, many, if not all, structural components are inaccessible. Thus, our evaluation is based only on our observations of symptoms of movement, damage, and deterioration. If there are no visible symptoms, conditions requiring repair may go undetected. We make no comment on the internal conditions of soils, foundations and framing, except as reflected in their performance.

Foundation Cracking

Cracking is common in concrete or masonry foundations. Minor cracks caused by shrinkage or settling can be found in even relatively new foundations. Moderate or larger cracks may indicate ongoing settling or movement and the eventual need for foundation repair. There is no way to determine if a crack will grow in size or if new cracks will form. Most large cracks were once small. Crack monitoring devices, available online, are a good way to accurately monitor foundation cracking over time.

Information on Seismic Strengthening

For more information about methods to seismically strengthen a building, we recommend consulting the Association of Bay Area Governments (ABAG) website: <http://quake.abag.ca.gov/residents/steps>. For standard retrofitting details, review "Plan Set A": <http://quake.abag.ca.gov/wp-content/documents/Plan-Set-A.pdf>

Exterior

DESCRIPTION

Lot Topography:	• Gently sloping
Slope Orientation:	• To the front
Vehicle Pavement:	• Concrete
Walking Surfaces:	• Concrete
Retaining Wall Materials:	• Concrete
Siding Materials:	• Stucco
Secondary Siding Materials:	• Wood siding
Door Materials:	• Wood • Vinyl
Window Materials:	• Vinyl

OBSERVATIONS & RECOMMENDATIONS

2.0 Site, Grading, and Drainage

The property sloped toward the building at the rear. This condition promotes water accumulation at the building, which could result in deterioration of the foundation and water penetration under the building. If water penetration is observed, we recommend a licensed contractor, specializing in drainage systems should be consulted for advice, repair options, and cost estimates.

The grade at the rear of the laundry room was close to or above the level of the wood framing. Such a "faulty grade" condition can promote damage to the wood framing, and we recommend regrading or repairs to the structure as necessary by a licensed contractor. If a current pest report is not available, we recommend having the property inspected by a licensed structural pest control inspector for more information.

 A drainage system was not observed for this property. Based on the moisture related damage observed in the sub area, we recommend the installation of a drainage system to collect and divert surface water, roof runoff, and subsurface water. Several licensed drainage contractors should be consulted for advice, design options, and cost estimates.

The downspouts were not properly extended away from the building. This condition can allow water to pool near the foundation, often leading to excess moisture around the foundation or below the building. We recommend the discharges from all downspouts be routed sufficiently away from the structure (usually at least 5 to 10 feet).

2.1 Driveway / Parking

The small cracks in the driveway pavement were not significant in terms of the usability of the driveway. The driveway was otherwise in acceptable condition.

Driveway replaced - 2019

2.2 Walking Surfaces

The walkways were in acceptable condition.

2.3 Retaining Walls

A retaining wall at the front was leaning. The retaining wall should be monitored for further movement. If and when further deterioration or movement develops, repair will be necessary immediately to reduce the potential for collapse of the wall and related damage to protected structures, including the building.

*Old retaining wall was removed and new 2 tier wall was built
-2019*



Replaced in 2019

Leaning retaining wall

2.4 Grounds

One or more large trees were observed on or immediately adjacent to the property that could damage the building if they fall over, or if large branches should separate from the trunk. Evaluation of the stability and condition of these trees is beyond the scope of this inspection. We recommend periodic advice and services of an experienced arborist for evaluation.

2.5 Stucco Siding

The stucco siding was generally in acceptable condition, with exceptions noted. Hairline cracks are typical of this material and no immediate action is necessary to correct them. The small cracks can be scratched open, patched and sealed in the course of routine maintenance.

Damaged or missing stucco was observed at the left front corner, creating opening where water can enter and damage the adjacent structure. We recommend review and repairs as necessary by a licensed plastering contractor.

2.6 Wood Siding

The wood siding was generally in acceptable condition.

2.7 Siding - General

Several siding penetrations were not properly sealed. We recommend sealing all siding penetrations with an appropriate sealant to help prevent damage to the siding and underlying building elements.

Small holes were noted in the siding in several areas. We recommend sealing all holes or gaps at penetrations by a licensed contractor to prevent future air/water/insect entry problems.

Vegetation was touching, or nearly touching, the building. Nearby vegetation, when bent by the wind, can contact the building and often will cause damage to exterior, and in extreme cases, to the structure. To reduce this potential for damage, we recommend the vegetation be trimmed or removed.

2.8 Paint and Stain

Exterior finishes on the building were generally in acceptable condition. Keep in mind that paints and stains will deteriorate from sun and weather exposure over time. The condition of the exterior finishes should be periodically monitored and recoated to prevent unnecessary damage to the underlying surfaces.

It appeared that minimal prep work was done (if at all) before the exterior paint was applied to the wood siding. Without diligent preparation and the sanding of hard paint edges, the paint will likely fail prematurely. We recommend establishing a budget in anticipation of future painting.

2.9 Doors, Windows, and Glazing

One or more retrofit "flush-fin" windows or doors were observed. This type of opening relies on caulking or special sealants to maintain a watertight installation. The doors and windows should be reviewed periodically for leakage and to ensure that any visible sealant is in good condition. We also recommend contacting the installing contractor to determine the status of permits, and the extent of any warranties or guaranties that may be available. The manufacturer's installation specifications and warranties for these windows should be obtained if possible for future reference.

Some of the doors or windows were retrofit/replacements for the originals, and modifications to the siding and/or trim were made. The construction details of their installation were covered and were no longer visible. We cannot determine the adequacy of the flashing details beneath the siding that prevent water intrusion. We recommend requesting documentation from the owner, which could confirm a professional installation, and might include a transferable warranty or other benefits.

A door and frame at the laundry room was deteriorated from wood destroying organisms. We recommend all damaged components be repaired or replaced by a licensed contractor. If a current pest report is not available, we recommend having the property inspected by a licensed structural pest inspector for more information.



Damaged door & frame

Door was replaced with new metal door and frame

The front door threshold was damaged. We recommend all damaged components be repaired or replaced by a licensed contractor. If a current pest report is not available, we recommend having the property inspected by a licensed structural pest inspector for more information.

2.10 Decks, Porches, and Balconies

The surface of the front porch was in acceptable condition. The underside was inaccessible to inspection, however it appeared that the structure was solid concrete, but this could not be confirmed.

2.11 Stairs and Railings



A guardrail at the front stairs was loose at its attachment and may fail when stressed, posing a safety hazard. We recommend review and repairs as necessary by a licensed contractor.



Loose railing

A railing at the front porch was hazardous as it could allow small children to fall through. We recommend immediate modification of all railings by a licensed contractor to bring them in conformance with current standards and local requirements to minimize safety hazards.

Note: Current standards prohibit guardrail openings of 4 inches or larger. Stairway guardrails prohibit openings of 4 $\frac{3}{8}$ inches or larger. The triangular area formed by the bottom of the guardrail, the tread, and the riser must not allow passage of a 6 inch sphere. A guardrail height is required to be 42 inches and between 34-38 inches at stairways.

The height of a guardrail at the front porch was too low to meet current guardrail standards. As an upgrade, the height of the existing guardrail should be raised or new railings of the proper height should be installed to minimize the fall potential.

LIMITATIONS / ADDITIONAL INFO

Soils Evaluation not Performed

An opinion on soil stability and potential movement may be available from a licensed soil or geotechnical engineer who is familiar with conditions in this area. Hillside structures are prone to landslides and movement, while flatland buildings can be prone to liquefaction. A licensed specialist should be consulted, if specific information on the characteristics and performance of this particular site is desired.

Freshly Painted Exterior

As with any recently refinished and freshly painted surface, the exterior may have conditions present that were not visible at the time of the inspection.

Inspect Stucco Below Grade Periodically

Stucco terminated below the finished grade in some areas. This configuration is outdated and may promote infestation by wood destroying organisms. We recommend periodic inspections for wood destroying organisms by a licensed structural pest inspector.

Fencing Not Inspected

The fences and gates were not inspected and are not included in this report. Fences at the perimeter of the lot typically approximate the property lines, but only a licensed surveyor can verify their exact location.

Please See Interior Section

For information about the interior aspects of the windows, please see the Interior section.

Screens Not Inspected

The door and windows screens were not inspected; as such a task was beyond the scope of this inspection. We recommend reviewing the screens to ensure they will function as desired.

Rekeying Exterior Doors

Exterior door locks should be rekeyed after transfer of ownership to ensure personal safety and security.

Roofing

DESCRIPTION

Primary Roofing Materials:	• Asphalt shingles (dimensional)
Estimated Age:	• Less than 5 years
Visible Layers:	• 1 layer
Secondary Roofing Materials:	• Modified bitumen with mineral coating
Estimated Age:	• Less than 5 years
Roof Slope:	• Low • Medium
Roof Inspection Methods:	• Walked the roof
Flashings:	• Sheet metal • Rubber boots • Mastic/Sealant
Valley Types:	• Sheet metal with center diverter
Roof Drainage:	• Metal gutters

OBSERVATIONS & RECOMMENDATIONS

3.0 Asphalt Composition Shingle Roofing

The asphalt composition shingle roofing was in acceptable condition.

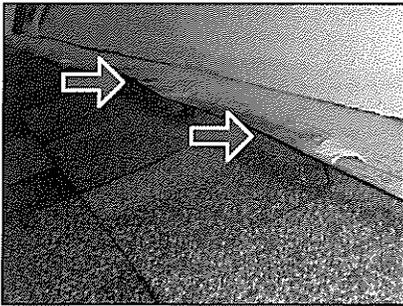
3.1 Modified Bitumen Roofing

The modified bitumen roofing was in acceptable condition.

3.2 Flashings

Some of the roof flashings were rusted. Significantly rusted flashings should be replaced while painting may be appropriate for the flashings in better condition. We recommend review and repairs as necessary by a licensed roofing contractor.

A section of the sidewall flashings at the rear were loose or had pulled up from the roofing and were susceptible to water entry. We recommend having a licensed roofing contractor properly secure the sidewall flashings with neoprene washer equipped fasteners for better durability.



Loose flashing

Fasteners were driven through the roof flashings or the roofing, and these penetrations were susceptible to leakage. We recommend sealing or replacing these fasteners with neoprene washer fasteners for better durability. The need for periodic sealing or maintenance should be anticipated.

The gutter flange (the metal lip on the inside of the gutter intended to act as an edge flashing) was not adequate protection, and leakage and/or water damage was possible in bad weather. We recommend that proper edge flashings be installed over this flange by a licensed roofing contractor to prevent damage to the eaves.

3.3 Roof Drainage

The gutters had a buildup of debris. All of the debris should be removed to ensure proper drainage, and then the gutters should be kept clear to reduce the potential for backups and subsequent water penetration into the building, which could result in damage to

exterior and interior building elements and finishes. The condition of the gutters can be better evaluated after the debris has been removed.

3.4 Roof Ventilation

The attic was only minimally ventilated. We recommend the installation of additional ventilation when the roof is replaced. Until then, this condition should be monitored to see how it affects the building to determine when additional venting should be installed.

3.5 Roofing - General

The roofing was newer, and being in the early stages of its service life and with attention to the items noted in this section, should remain reliable for a number of years. The roofing was currently in need of repairs or maintenance – therefore we recommend the advice and services a licensed roofing contractor.

LIMITATIONS / ADDITIONAL INFO

Check for Roofing Warranty

Some of the roofing was newer. Unless specifically excluded in the original installation contract, roof installation warranties in California are usually transferrable to subsequent owners. Manufacturer's warranties are typically transferable for the first 10 years. We recommend retaining copies of any contracts for the installation of this roof to determine if any warranty exists, and if the persons performing the work were licensed.

Determining Layers Requires Testing

The number of layers, or separate applications of low slope roofing material could not be determined without employing destructive testing methods, which is beyond the scope of this inspection. If knowledge of this aspect is critical, we recommend further evaluation by a licensed roofing contractor.

Cannot Guarantee Leak-free Roof

Our comments do not constitute a warranty that the roof is free of leaks, or will remain free of leaks.

Benefits of Cleaning Roof Drainage

The roof drainage system should be monitored on a regular basis and be cleaned out whenever debris has accumulated. Regular cleaning will prevent clogging of the downspouts and potentially damaging leaks.

All Roofs Need Maintenance

All roof systems require annual (or even more frequent) maintenance. Failure to perform routine roof maintenance will usually result in leaks and accelerated deterioration of the roofing and flashings. Any estimate of remaining life expectancy must be based upon the assumption that the roof will receive periodic maintenance.

Attic Ventilation

Attic ventilation can be provided by eave/soffit, gable or ridge vents. Attic fans or wind driven turbines are sometimes used to augment passive ventilation. Ventilation openings should be divided equally between upper (gable or ridge) and lower (soffit or eave) vents.

Plumbing

DESCRIPTION

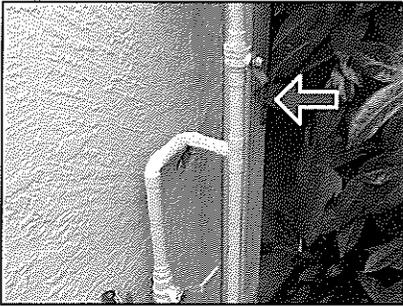
Water Source:	• Appeared to be municipal/community supply
Water Pressure:	• ~50 psi
Water Service:	• ¾ inch copper
Main Water Shutoff Location:	• Exterior - left front corner
Water Distribution Piping:	• Copper • PEX
Waste Disposal:	• Appeared to be municipal/community sewer
Sewer Cleanout Location:	• Exterior - front • Exterior - left side • Near the curb
Drain & Vent Piping:	• Cast iron • Galvanized • ABS
Gas Service:	• Natural gas - 250 CF/H meter
Gas Shutoff Location:	• Exterior - left front corner

OBSERVATIONS & RECOMMENDATIONS

4.0 Main Water Supply

The visible portions of the main water supply piping were in acceptable condition.

The main water supply shut-off valve was located, but testing the operation of this valve is not within the scope of this inspection. Operation of the valve from time to time will keep it functional and maximize its useful life.



Main water shutoff valve

System pressure, as measured by a water pressure tester, was within the normal range (40-80 psi).

4.1 Water Distribution Piping

The visible portions of the exposed and accessible distribution piping generally were in acceptable condition.

Abandoned water piping was observed in the crawl space. It could not be determined if the piping was completely disconnected, or if a valve was used to isolate the piping. As a precaution, we recommend removing all abandoned water piping.

4.2 Faucets

The faucets were operated and allowed to run for a short period of time. They produced functional flow and were in acceptable condition.

4.3 Bath and Shower Fixtures

The shower/tub valves were operated and were in acceptable condition.

4.4 Sinks

There was a recessed area at the bathroom sink (where it joined the underside of the countertop) that was not properly caulked. This area is considered a "fouling ring" that can trap bacteria and may pose a health concern. We recommend eliminating the fouling ring by bridging the gap with an appropriate caulking material.

4.5 Bathtubs

The bathtub was in acceptable condition.

4.6 Toilets

The toilet was operated and appeared to flush properly.

4.7 Drain & Waste Piping

- ⚠ The drain piping serving the laundry sink was actively leaking. We recommend immediate repairs as necessary by a licensed plumbing contractor.



Leaking drain piping

The bathtub drain piping drained slowly when tested. Typically, the trap gets clogged by hair or sludge, but sometimes the blockage can be further downstream. We recommend review and repairs as necessary by a licensed plumbing contractor.

The washing machine drain piping was less than 2 inches in diameter, which may be too small to handle the discharge from some newer washing machines. Upgrading the size of the laundry drain piping may be necessary if a newer high efficiency washing machine is to be installed.

4.8 Sewer Cleanouts & Lateral

Because it was buried, we could not determine the condition of the sewer lateral, or confirm if the property was connected to a municipal sewer system. Many Bay Area jurisdictions now require testing at time of sale or transfer to ensure water tightness. Replacement can be expensive, and we recommend a lateral inspection by a licensed plumbing contractor.

4.9 Gas Service

A meter wrench was located in the vicinity of the main gas valve, which will provide a convenient means for shutoff in an emergency. A main gas valve can be turned 90 degrees in either direction to shut the gas supply off.



Main gas shutoff valve

The gas meter was in acceptable condition.

- ⚠ An automatic seismic gas shut-off valve was not installed. Fires can cause significant damage after a large earthquake and this type of valve is intended to automatically shut off the gas in an earthquake. We recommend the installation of an automatic seismic shutoff valve by a licensed plumbing contractor.

4.10 Gas Distribution

The visible sections of the gas piping were in acceptable condition, with exceptions noted below. Leaks were not detected at any of the exposed gas piping. Pressure testing may reveal leaks, but this procedure is beyond the scope of this inspection.

We observed corrosion on the gas piping near the water heater. Over time, this corrosion can lead to gas leaks and as a precaution, we recommend cleaning and painting or replacement of the gas piping by a licensed plumbing contractor.



Corroded gas piping

4.11 Plumbing - General

The plumbing system was generally in acceptable condition; however, instances of repair or correction were observed. We recommend hiring a licensed plumbing contractor to examine the plumbing system and repair, augment, or modify as necessary to ensure that the entire system is safe and dependable.

LIMITATIONS / ADDITIONAL INFO

Flush New Water Lines

New water lines often contain oils, dirt, solder and other debris left in the pipes and fixtures during system installation. This can impede flow and cause aerators to spray in divergent patterns. Good practice dictates that the hot and cold water lines be flushed to remove any foreign materials that may be present.

Landscape Irrigation System Not Inspected

The landscape irrigation system was not inspected and is not included in this report. Thus, we cannot make any representations as to its present condition or future performance. We recommend evaluation by a sprinkler system technician, if information on the system's function and condition is desired.

Senate Bill 407 Information

Some important provisions of SB407 took effect January 1, 2017. This law requires the installation of water conserving plumbing fixtures in all single family homes built prior to 1994. This is not a time-of-sale requirement, it applies to all single family homes built before 1994, whether the home is being sold or not. In addition, this law requires an owner to disclose in writing, if the property includes any noncompliant plumbing fixtures at time of sale. Please see: <http://jmcinspections.com/sb407-what-you-need-to-know>

Copper Water Lines

Copper is generally considered a very desirable type of piping because it is less susceptible to corrosion (than galvanized piping) and could be expected to last the lifetime of the building.

PEX Water Lines

Cross-linked polyethylene, commonly abbreviated PEX, is a form of polyethylene with cross-links. It is formed into tubing, and is used predominantly for water distribution and hydronic radiant heating systems. Recently, it has become an alternative to polyvinyl chloride (PVC), chlorinated polyvinyl chloride (CPVC) or copper tubing for use as residential water piping.

For Water Quality Questions, Ask The Supplier

For information concerning water quality, we suggest contacting the municipality or utility company that provides water to this property.

What To Do If You Smell Gas

A persistent sulfuric "rotten egg" odor signals a natural gas leak and the local gas utility should be contacted **immediately** if the odor is detected. It is typical to smell the odor when lighting natural gas appliances like kitchen ranges, but the odor should not persist. Once you have contacted the local utility, keep the area clear until the service call is over.

Water Heating

DESCRIPTION

Water Heater Location:	• Exterior - left side
Number / Type:	• 1 tankless type water heater
Manufacturer:	• Rheem
Age:	• Year of manufacture: 2017
Storage Capacity:	• None (tankless)
1st Hour Rating:	• 155 gallons (EnergyGuide label)
Energy Source:	• Natural gas
Btu Rating:	• 150,000 Btu/h
Efficiency:	• 80-85% (estimated)

OBSERVATIONS & RECOMMENDATIONS

5.0 Water Connections

Isolation valves were installed to facilitate the maintenance procedures required by most tankless water heater manufacturers. The valves were in acceptable condition.

5.1 Pressure & Temperature Relief

The pressure relief valve installation was in acceptable condition. If water is ever observed coming out of the PRV drain, a licensed plumbing contractor should be consulted immediately.

5.2 Gas Connection

The gas connector was an appropriate flexible type and was in acceptable condition.

5.3 Ignition

The water heater was equipped with an electronic ignition system, which is an energy saving feature that allows operation without the need for a continuously burning pilot. The ignition system was activated during the inspection and was in acceptable condition.

5.4 Water Heating - Misc

The tankless water heater was equipped with a control pad, which was located in the laundry area. The control pad did not respond to user controls, and we recommend further evaluation and repairs as necessary by a licensed plumbing contractor.

The water heater was near the presumed property line. While each locality is different, water heaters are often not allowed within 5 feet of a property line. This may indicate work without permits. We recommend consulting with the local building department or a licensed plumbing contractor for more information.

5.5 Water Heating - General

The water heater appeared to be recently installed and with routine maintenance should be reliable for a number of years. Unless specifically excluded in the original contract, warranties can be transferrable to subsequent owners. We recommend obtaining copies of all available documentation for more information.

LIMITATIONS / ADDITIONAL INFO

Tankless / On-Demand Water Heaters

This type of water heater provides heated water upon demand, when the hot water side of a fixture within the building is turned on. These appliances are generally more energy efficient and will provide "endless" hot water. The manufacturer should be consulted regarding proper installation, use and maintenance of this equipment.

The Benefits of Periodic Flushing

Most tankless water heater manufactures recommend periodic (we recommend annual) cleaning of the debris screen and flushing of the water piping in order to remove accumulations of minerals/scale within the heater piping. Poor performance will result if the water heater is not maintained properly. For more information, please consult the owner's manual or the manufacturer's website.

Electrical

DESCRIPTION

Service Type:	• Overhead drop
Service Voltage (nominal):	• 120-240 volts
Main Panel Location:	• Exterior - left front corner
Main Disconnect Location:	• In main panel
System Amperage:	• 55 amps
Size Determined By:	• Main breaker
Visible Grounding Sources:	• Driven rod
Overcurrent Protection:	• Circuit breakers
Subpanel Locations:	• Hallway
Conductor Materials:	• Copper
Visible Wiring Types:	• Metal clad (BX/MC) • NM cable "Romex" • Rigid conduit/EMT

OBSERVATIONS & RECOMMENDATIONS

6.0 Electrical Service

The temporary connections at the service point indicated that the electric utility had not reviewed and permanently connected the wires at the service point. We recommend contacting the local utility provider for information regarding this condition. The local jurisdiction should also be contacted regarding any relevant permits.

A seal on the electric meter was broken. The electric utility should be notified, as they may wish to investigate this situation before replacing broken meter seals. The local building department should be consulted regarding any relevant permits.

! The size of the electrical service was outdated and did not meet current standards. With changes in patterns of use, the existing electrical service could soon become inadequate. As an upgrade, increasing the electrical service capacity should be considered.

6.1 Main Disconnect / Main Panel

! The main electrical panel was manufactured by Zinsco. It has been found that many of the circuit breakers have become damaged due to poor connections within the panel. Because such malfunctions could result in serious personal injury or property loss, we recommend replacement of this panel by a licensed electrical contractor.

! The protective "dead-front" cover was missing from the main electrical panel, creating a shock hazard. We recommend securing the panel until it can be replaced.



Missing dead-front cover

6.2 System Grounding and Bonding

We were not able to confirm that the electrical system was properly connected to the water piping. Sometimes called "earthing," system grounding provides a path for stray electricity and lightning strikes to safely discharge into the earth. We recommend further evaluation by a licensed electrical contractor.

6.3 Subpanels

- ⚠ A "twist-out" was missing from the subpanel dead-front cover. Such openings expose persons to possible contact with energized electrical components inside the panel, which is a shock hazard. We recommend review and repairs as necessary by a licensed electrical contractor.



Missing twist-out

Cover plate installed with permit - 2019

The breaker brands did not match the brand of the panel manufacturer. While this can sometimes lead to poor connections or other problems, many breakers are actually "classified" breakers that are tested and UL listed to work in other brand panels. For more information, a licensed electrical contractor should be consulted.

Circuit breakers were employed in combination either as 240-volt or multi-wire branch circuits. Newer standards require an appropriate handle tie on both types of these circuits to ensure that the both breakers operate in tandem. Handle ties should be installed on all breakers where they are currently required.

A breaker in the subpanel was turned off at the time of inspection. We could not determine why the breaker was turned off, but they are sometimes turned off due to electrical malfunctions. We recommend consulting with the owner, if possible, or further evaluation by a licensed electrical contractor.

Circuits were not labeled. We recommend labeling to facilitate maintenance and repairs.

6.4 Branch Circuitry *Corrected with Permit - 2019*

An open electrical box was observed in the attic. All open electrical boxes should be covered with an acceptable cover to protect the wiring connections and reduce the risk of shock. We recommend review and repairs as necessary by a licensed electrical contractor.

Unsecured wiring was observed in the attic. For maximum safety, all of the wiring should be secured by a licensed electrical contractor to protect it from abrasion and stretching.

6.5 Knob & Tube Wiring

We observed knob & tube wiring that appeared to have been cut out of the electrical system in the crawl space. For improved safety, we recommend having all the old abandoned wiring removed.

Although no active knob & tube wiring was observed during the course of the inspection, this type of wiring was prevalent during the period when this building was constructed. In fact, some knob & tube wiring may still be in service in inaccessible areas of the structure. To confirm the existence of knob & tube wiring, invasive tactics, which are beyond the scope of this inspection, would be required.

6.6 Receptacle Outlets

Based upon the inspection of a representative number, the receptacles were in acceptable condition, operating properly and properly grounded (where applicable).

The spacing of the receptacles serving the kitchen countertops did not meet current standards, which can encourage the use of extension cords. We recommend installation of additional receptacles by a licensed electrical contractor to adequately meet the needs of modern life.

A cover plate for a receptacle was missing in the laundry area. These cover plates should be replaced immediately to reduce the risk of electrical shorts and hazardous shocks.

Corrected in 2019

6.7 Switches

A representative number of switches were operated and were in acceptable condition.

A cover plate for a switch was missing in the attic. These cover plates should be replaced immediately to reduce the risk of electrical shorts and hazardous shocks.

6.8 Lighting

The light fixtures were generally operational and in acceptable condition.

6.9 GFCI Protection

Ground Fault Circuit Interrupter (GFCI) protection is a modern safety feature designed to help prevent shock hazards and electrocution. Both GFCI breakers and outlets should be tested monthly to ensure they are still functional.

 GFCI protection was not provided for all of the receptacles where this type of protection is presently required. GFCI protection is a modern, inexpensive safety feature designed to help prevent shock, particularly in wet locations. We recommend the installation of GFCI protection by a licensed electrical contractor in all areas where it is presently required. See: <http://jmcinspections.com/what-is-gfci-protection>



Unsafe outlets near sink

A GFCI receptacle in the crawl space tripped when tested but would not reset and, thus, remained dead. We recommend further evaluation and repairs as necessary by a licensed electrical contractor.

6.10 AFCI Protection

Arc Fault Circuit Interrupter (AFCI) protection is a newer technology that is designed to protect against fires caused by arcing faults in the electrical wiring. Both AFCI breakers and outlets should be tested monthly to ensure they are still functional.

AFCI protection was installed for some, but not all of the circuits required by current standards. Modern standards require AFCI protection when new circuits are installed in bedrooms and many other parts of a building. We recommend review and repairs as necessary by a licensed electrical contractor.

Au changed out with permit - 2019

6.11 Electrical - General

 The electrical system was in need of significant repair. We observed instances of improper wiring, defective components, and/or unsafe conditions. We recommend a thorough review of the entire system by a licensed electrician and repair, as necessary to ensure that it is safe and dependable.

*Permit for Final Electrical
was done in 2019*

LIMITATIONS / ADDITIONAL INFO

Low Voltage Systems Not Included

Review of any low voltage electrical devices and their associated wiring, including but not limited to: telephone wiring, TV antennas, cable TV, internet, stereo systems, fire and burglar alarms, intercoms, yard lighting, landscape water (sprinkler) timers or other water features, is not within the scope of this inspection. For information about such systems, an appropriate professional should be consulted.

Representative Sampling of Outlets

A representative sample of the outlets was tested in each room. Nationally recognized inspection standards require testing a minimum of one outlet in every room, where accessible. Before plugging in sensitive electronic equipment like computers and TVs, we recommend testing outlets with a receptacle tester to verify that the receptacle is properly grounded. Such testers have their limitations, and only an electrician can make such determinations.

Arc Fault Circuit Interrupter (AFCI) Protection

AFCI is a newer technology that is designed to protect against fires caused by arcing wiring faults. Annually, over 40,000 fires are attributed to residential wiring. These fires result in over 350 deaths and over 1,400 injuries each year. Arcing faults are one of the major causes of these fires. For more information, please see: <http://jmcinspections.com/afci-protection>

Ground Fault Circuit Interrupter (GFCI) Protection

GFCI protection is a modern safety feature designed to help prevent shock and electrocution. GFCI breakers and receptacles de-energize a circuit or a portion of a circuit when a dangerous condition exists. GFCI protection is inexpensive and can provide a substantially increased margin of safety. Please see: <http://jmcinspections.com/what-is-gfci-protection>

Heating / Cooling

DESCRIPTION

HVAC Types:	• Forced air furnace
Plant Location:	• Attic
Manufacturer:	• Coleman
Age:	• 2016, from data plate
Heating Energy Source:	• Natural gas
Btu Rating:	• 60,000 Btu/h
Heating Efficiency:	• 95% from EnergyGuide label
Cooling Type:	• Cooling not installed
Number of Zones:	• Single zone

OBSERVATIONS & RECOMMENDATIONS

7.0 Forced Air

The heat exchanger in the furnace was inaccessible and could not be visually examined. As they age, heat exchangers can crack and thereby allow products of combustion into the interior. If information about the condition of the heat exchanger is desired, a licensed HVAC contractor should be retained.

The furnace was not adequately secured to prevent movement and damage in a large earthquake. We recommend it be secured in conformance with the current standards and local requirements by a licensed HVAC contractor.

Sufficient clear working space was not provided at the front of the furnace and it will be difficult to service or repair. If possible, adequate working clearances should be established in compliance with current requirements. Otherwise, we recommend relocation when a new unit is installed.

Corrected with permit - 2019

7.1 HVAC Power / Disconnect

The local disconnect was in acceptable condition.

7.2 Gas Connection

The gas connector was an appropriate flexible type and was in acceptable condition.

A sediment trap was not installed on the gas connection to prevent particles that might be present in the gas from clogging the burners. Under some conditions, clogged burners can pose a fire hazard. For greater safety, we recommend installation of a sediment trap by a licensed plumbing contractor.

7.3 Ignition

The system was equipped with an electronic ignition system, which is an energy saving feature that allows operation without the need for a continuously burning pilot. The ignition system was activated during the inspection and was in acceptable condition.

7.4 Combustion Air

The combustion air supply appeared to be adequate.

7.5 Exhaust Venting

Plastic piping was used for the exhaust venting. This type of venting is common on high-efficiency heating systems.

 A condensate drain was not installed for the furnace. Condensate is acidic, and without a proper disposal system, the internal furnace components can quickly deteriorate. We recommend review and repairs as necessary by a licensed HVAC contractor.

Corrected with permit - 2019

7.6 Air Filters

The system was not equipped with an air filter. We recommend the installation of a properly sized air filter to filter out dust, preventing its re-entry into the occupied interior, and helping keep the blower and ductwork clean.

7.7 Distribution

The visible portions of the distribution ducts were in acceptable condition.

7.8 Outlets

Several registers were missing. To help control the flow of conditioned air, we recommend the installation of properly sized registers by a licensed HVAC contractor.

7.9 System Controls

Operation of the user controls on the thermostat caused the unit to respond. Keep in mind that this was a "learning thermostat" that catalogs user input to optimize performance. No attempt was made to test all of the functions of this thermostat and we recommend reviewing the thermostat manufacturer's literature to learn more about how to use this type of thermostat.

7.10 Heating / Cooling - General

The furnace was newer, responded to normal operating controls and with routine maintenance should be reliable for a number of years. For attention to the items noted in this section, we recommend review and repairs as necessary by a licensed HVAC contractor.

The system was activated, and conditioned air flowed out of the registers, but system balance was not evaluated. The adequacy of the amount of conditioned air delivered to any given room is subjective, and depends upon the occupant's comfort level and how much they want to spend on fuel bills. Therefore, only the occupants can make this kind of determination. This type of determination is obviously beyond the scope of this inspection.

LIMITATIONS / ADDITIONAL INFO

Furnace Construction Limits Our Inspection

The configuration of most HVAC plants, and particularly their heat exchangers, prevents visual access to many critical interior surfaces. In addition, inspection standards do not allow an inspector to disassemble a plant beyond those panels that can be easily removed. Thus, any observations available to an inspector will be limited.

Carbon Monoxide Warning

Carbon monoxide (CO) is a colorless, odorless gas. You can't see it - you can't smell it - but it can poison or kill you. Early symptoms of carbon monoxide poisoning resemble those of the flu - headaches, dizziness and nausea. Continued exposure can cause unconsciousness or death. Rusted, cracked, or damaged heat exchangers can also lead to carbon monoxide production. For this reason, we only recommend licensed HVAC contractor to work on this equipment. Please see: <http://jmcinspections.com/what-is-carbon-monoxide>

Carbon Monoxide Alarm Requirement

California now requires all dwellings with gas appliances or attached garages to have carbon monoxide alarms installed within. The International Association of Fire Chiefs recommends a carbon monoxide alarm on every floor of your dwelling, including a finished basement. An alarm should be located within 10 feet of each bedroom door and there should be one near or over any attached garage.

Sustainability

DESCRIPTION

Attic / Roof Insulation:	<ul style="list-style-type: none">• Unfaced fiberglass batts
Wall Insulation:	<ul style="list-style-type: none">• Not visible, finishes conceal exterior framing
Floor Insulation:	<ul style="list-style-type: none">• None
Insulated Glazing:	<ul style="list-style-type: none">• All
Thermostat Types:	<ul style="list-style-type: none">• Learning type
Fireplace Damper Types:	<ul style="list-style-type: none">• Throat damper at firebox
On-site Energy Generation:	<ul style="list-style-type: none">• None

OBSERVATIONS & RECOMMENDATIONS

8.0 Attic / Roof Insulation

Insulation was present, but not all areas were covered. We recommend the installation of additional insulation to bring the building into conformance with the current energy standards in order to increase the energy efficiency of the building and reduce utility bills.

8.1 Wall Insulation

Insulation, if present in the exterior walls adjacent to the finished areas, was not visible, thus it was not inspected.

8.2 Floor / Slab Insulation

Insulation was not installed beneath the floors, which is a common finding in older buildings. Upgrading by installing insulation under the floors would make the building more comfortable as well as reducing energy bills.

8.3 Air Sealing

The firebox utilized a throat damper to help prevent heated air from escaping the chimney. A throat damper does not provide an adequate seal, and we recommend consulting with a fireplace contractor for better alternatives.

8.4 On-site Generation

The building did not have on-site power generation. The installation of on-site power generation (e.g. solar panels) could offset the power needs of this building, and we recommend consultation with installation contractors for advice, options, and cost estimates.

8.5 Sustainability - General

We found the building to be only moderately energy efficient. Adding insulation, improving air-sealing, and adding on-site generation will make the building more comfortable and reduce or eliminate utility costs.

Note: If enhancing the sustainability of the building is of interest, then retaining a licensed energy conservation professional to evaluate the structure and identify the most cost effective manner to increase sustainability will be well worth the effort.

LIMITATIONS / ADDITIONAL INFO

Zero Net Energy Buildings

By 2020, California will require that all new homes be "zero net energy" - meaning that they produce as much energy as they consume. This is usually achieved by a mix of high efficiency building techniques and a solar electric system. While this requirement does not apply to existing buildings, they can still be retrofitted to reduce the owners carbon footprint and even supply energy for their neighbors.

Efficiency Standards

Insulation, weather-stripping, double-glazed windows and doors, and set-back thermostats are features that help reduce heat loss and/or gain and increase comfort while reducing energy costs. Current minimum standards require attic insulation levels of at least R-30, wall insulation of at least R-11 (2 x 4 framing), and floor insulation of at least R-19. It's important to note that air sealing of the ceiling structure and installation of insulation are usually the most cost effective methods to increase the thermal efficiency of a building.

Environmental

DESCRIPTION

Suspect Materials: • Lead paint • Asbestos
Fuel Tanks: • No evidence observed

OBSERVATIONS & RECOMMENDATIONS

9.0 Lead

A rule regarding lead paint (and other contaminants) was created in 2010. Called the "Renovation, Repair, and Painting" (RRP) rule, it imposes a strict protocol on work done to buildings built before 1978. We recommend verifying that painting contractors are RRP certified before hiring them. More information about this program, we recommend consulting this website: <http://www.epa.gov/getleadsafe>

9.1 Asbestos

Some of the visible ducting in the crawl space was covered with a material that appeared to be asbestos. The removal of asbestos requires a licensed abatement firm and will increase the cost of duct removal. As a precaution, care should be taken to not disturb this material. For more information, a licensed abatement firm should be consulted.



Apparent asbestos material

LIMITATIONS / ADDITIONAL INFO

Lead Paint Information

This building may contain lead paint. The CPSC banned the manufacture of paint with more than 0.06% lead content as of February 1978, but existing stores of paint were used for years after. A new rule regarding lead paint (and other contaminants) is now in effect. Called the "Renovation, Repair, and Painting" (RRP) rule, it imposes a strict protocol on work done to buildings built before 1978. We recommend verifying that painting contractors are RRP certified before hiring them. More information about this program, we recommend consulting this website: <http://www.epa.gov/getleadsafe>

Asbestos Information

Asbestos is found in many older homes because of its widespread use in building materials before it was banned in 1978. Exposure to asbestos has been identified as a health hazard and should be avoided. It may be possible to significantly reduce or eliminate the dispersal of asbestos fibers by painting the material with products designed for this purpose. Removal or containment of these materials should only be done by properly trained and equipped professionals. The presence of asbestos can only be determined by laboratory analysis, which is beyond the scope of our inspection. Please see: <https://www.epa.gov/sites/production/files/2016-10/documents/asbestos.pdf>

Fireplaces / Chimneys

DESCRIPTION

- Fireplace Types:** • Wood burning
Chimney Types: • Brick and mortar

OBSERVATIONS & RECOMMENDATIONS

10.0 Fireplaces

We observed minor firebox cracking. These cracks were, in our opinion, normal signs of aging. However, we recommend further monitoring of its condition in the future. If further deterioration takes place, appropriate repairs should be made.

10.1 Dampers

The damper in the fireplace was operated and found to be in acceptable condition. We recommend keeping the damper closed when the fireplace is not in use, as a significant amount of heat can escape through a chimney.

10.2 Smoke Chambers

The firebox and the visible portions of the smoke chamber were clean. Having the flue professionally cleaned periodically is considered prudent maintenance when used frequently.

10.3 Chimneys

The exterior portions of the chimney were in acceptable condition for their age.

LIMITATIONS / ADDITIONAL INFO

Masonry Chimney – Earthquake Danger

One or more chimneys were constructed using mortar and brick. Older masonry chimneys typically do not have steel reinforcement, and cannot withstand large earthquakes. They may fall during the next earthquake, and they pose a significant risk. We recommend removal of masonry chimneys, especially if not in use, as they could cause damage to the building or injury / death to occupants, when they fail. Until this can be done, applying plywood on the ceiling joists near the chimney(s) may help reduce falling brick.

Spark Arrestors Not Removed

In the course of a normal inspection, we do not remove the spark arrestors for an examination of the interior of the chimneys, thus the interior was not inspected.

Level 2 Chimney Inspection

Regular cleaning and examination of the chimney is an important part of property maintenance and is necessary to ensure the long-term safe operation of any solid fuel appliance. The National Fire Protection Agency recommends a “level 2” inspection by a licensed and certified chimney sweep whenever a building is sold. The “level 2” inspection should include examination of the flue interior and other aspects of solid fuel appliances that we are not qualified to evaluate and comment upon. For more information, please see the Chimney Safety Institute of America’s website: http://www.csia.org/homeowner-resources/chimney_inspections.aspx

Bay Area Air Quality Management District (BAAQMD) Spare the Air Days

Each winter, the BAAQMD has “Spare the Air” days where wood burning is prohibited. The program notifies residents when particulate matter levels are anticipated to be unhealthy. On these high pollution days, the Air District will issue a Winter Spare the Air Alert which prohibits wood burning throughout the Bay Area. For more information, please see <http://www.sparetheair.org>

Bay Area Air Quality Management District (BAAQMD) Rebates

The BAAQMD has an incentive program that helps homeowners and landlords remove or replace outdated fireplaces and chimneys. For more information, please see: <http://www.baaqmd.gov/grant-funding/residents/wood-smoke-rebate>

Laundry

DESCRIPTION

Location: • Laundry room
Equipment: • Clothes washer • Electric dryer

OBSERVATIONS & RECOMMENDATIONS

11.0 Laundry Overview

A clothes washer and dryer were present but not tested, as the testing of laundry appliances is beyond the scope of the inspection.

11.1 Clothes Washers

Rubber hoses were used for the water connections, and such hoses are prone to bursting and subsequent flooding. We recommend upgrading to metal-sheathed “no-burst” type hoses to reduce the potential for hose failure and associated damage.

A catch pan was not installed under the clothes washing machine. Properly drained catch pans are recommended in installations where washing machine leaks can damage finished surfaces and/or wood framing. As an alternative, leak sensors (such as the Watts IntelliFlow) can be installed. We recommend consultation with a licensed contractor for advice, repair options, and cost estimates.

11.2 Clothes Dryers

Electricity was the only dryer heat source provided.

The electric dryer receptacle was an older configuration 3-prong type. Many clothes dryers manufactured since the year 2003 are required to be equipped with 4-wire cords terminated in a modern 4-prong receptacle. The present receptacle should be replaced with a new 4-prong type before a newer dryer is installed, which also may require replacement of the feeder wire to this receptacle.

The visible portions of the clothes dryer vent were in acceptable condition.

LIMITATIONS / ADDITIONAL INFO

Dryer Vent Information

Typical standards for dryer vents require a 4-inch diameter, smooth wall duct, no longer than 14 feet, with a hood damper at the exterior termination. A flexible vent (6 feet max.) may be used at the dryer connection only, but cannot go through crawl spaces, floors or walls. Dryer vents need periodic cleaning, to prevent a buildup of lint, which can be a fire hazard. Please read the CPSC safety alert on their website: <http://www.cpsc.gov/PageFiles/118931/5022.pdf>

Kitchen

DESCRIPTION

Kitchen Appliances: • Food waste disposer • Dishwasher • Gas range
Exhaust Type: • Hood (ducted)

OBSERVATIONS & RECOMMENDATIONS

12.0 Disposers

The disposer responded to normal user controls but was unusually noisy. It appeared that debris was inside, although the noisy operation could also suggest that the appliance was nearing the end of its useful service life.

12.1 Dishwashers

The dishwasher was not tested or operated due to the packaging materials that were not removed. We suggest testing all the cycles to confirm that the dishwasher is fully functional once these materials have been removed.

The dishwasher drain was equipped with an air-gap fitting (the cylinder protruding above the sink). This device ensures separation of the supply water from the wastewater.

12.2 Cooking Equipment

The range was turned on with the normal operating controls and was in acceptable condition.

An anti-tip bracket was installed on the back of the range, which is an important safety device. Without this bracket, the range could tip forward and possibly cause serious burns or injury to both children and adults.

12.3 Kitchen Ventilation

The kitchen ventilation system responded to user controls when tested.

! The corrugated flex duct used in the kitchen ventilation system is substandard, as it can allow grease build-up and become a fire hazard. We recommend replacement of this duct with an approved material by a licensed contractor.



Replaced with permit-2019

Flexible ducting

LIMITATIONS / ADDITIONAL INFO

Excluded Kitchen Appliances

Review of the following kitchen appliances was beyond the scope of this inspection: refrigerators, microwaves, freezers, wine refrigerators, water filters, trash compactors, food warmers, warming drawers, steam ovens, espresso machines, instant hot water dispensers, chilled water dispensers, ice makers, blenders, and portable dishwashers. Information about the function/operation of such appliances should be obtained from the owner/occupant or a licensed appliance contractor.

Interior

DESCRIPTION

- Bedrooms:** • 2 bedrooms
Bathrooms: • 1 bathroom
Wall and Ceiling Materials: • Drywall

OBSERVATIONS & RECOMMENDATIONS

13.0 Interior Finishes

The interior wall, floor, and ceiling surfaces were generally in acceptable condition. We did not attempt to list all cosmetic flaws and suggest that most of these items will be addressed by routine maintenance upgrading.

13.1 Doors and Windows

A representative number of the interior doors were operated and were in acceptable condition.

The locking side of the door handle was reversed at the rear bedroom. We recommend review and repairs as necessary to restore privacy as intended.

The openable windows tested were functional and in acceptable condition. We operated a representative sample of the windows, but did not open, close, and latch every window.

13.2 Smoke Alarms

Smoke alarms were found in the appropriate areas. Periodic testing will ensure that the alarms are still functional.



One or more of the smoke alarms were an older ionization sensor type. We recommend replacement of all ionization smoke alarms with units that utilize photoelectric technology as they have been proven to be more effective than ionization smoke alarms.

The sampled smoke alarms were connected to the electrical wiring. Current standards require hardwiring and interconnection of the smoke alarms so they will have a permanent power source and will all sound in unison. Replacement smoke alarms generally require rewiring of the connection by an electrician.

13.3 Carbon Monoxide Alarms

The carbon monoxide alarm was appropriately located. Periodic testing is recommended to ensure that the alarm is still functional.

13.4 Bathrooms

The shower walls were in acceptable condition.

Neither a curtain, nor an enclosure was installed around the shower. To protect the floor and the adjacent surfaces, we recommend the installation of a curtain or glass enclosure.

The bathroom ventilation fan responded to its user controls and was in acceptable condition.

LIMITATIONS / ADDITIONAL INFO

Freshly Painted Surfaces May Conceal Items of Concern

As with any recently refinished and freshly painted surface, conditions may be present that were not readily apparent at the time of our inspection. We do not suggest that this inspection will identify all such conditions.

Door and Window Treatments Limit Scope

Inspection of door or window treatments was not within the scope of this inspection. These treatments obscured some aspects of the door and windows, and prevented a thorough inspection. Some strings or cords used to operate retractable window shades can be a child safety hazard. Please visit the Window Covering Safety Council website: http://www.windowcoverings.org/basic_cord_safety.html

Secure Building Contents

Unsecured building contents such as televisions, computers, bookshelves, and other items can become missile hazards in an earthquake. For more information about how to secure these items please see the Association of Bay Area Governments (ABAG) website <http://quake.abag.ca.gov/preparedness/contents>.

Representative Sampling of Windows

A representative sample of the windows was operated in each room, but not every window was opened, closed and latched. Nationally recognized inspection standards require testing a minimum of one window in every room, where accessible.

Window Requirements for Egress

Basements and sleeping rooms below the fourth story should have at least one escape or rescue window for emergency egress. Current standards require the window to have at least 5.0 - 5.7 square feet in clear opening area, at least 24 inches high, at least 20 inches wide, and with a sill not more than 44 inches from the floor.

Important Smoke Alarm Information

The smoke alarms were not tested. For future reference, testing with the built-in test button only verifies proper battery and horn function, but does not test the smoke sensor. We recommend regular "smoke" testing to verify proper function. Photoelectric smoke alarms are superior to the older ionization type, as they will respond more quickly to smoldering fires - which are the most fatal type of building fires. Please see: <http://jmcinspections.com/photoelectric-vs-ionization-smoke-alarms>

Carbon Monoxide Alarm Requirement

Since 2011, California has required all dwellings with gas appliances or attached garages to have carbon monoxide alarms installed. Current standards require a carbon monoxide alarm on every floor of your dwelling, including the basement. An alarm should be located within 10 feet of each bedroom door and there should be one near or over any attached garage.

Smoke and Carbon Monoxide Alarm Maintenance

Smoke and carbon monoxide alarms should be tested at least once a month (by using the test button) and cleaned of dust or cobwebs as needed. If the testing mechanism does not work properly, the alarm should be replaced immediately. Most manufacturers recommend replacing smoke alarms every 10 years and carbon monoxide alarms every 5-10 years.

Primary Recommendations

Please note: The following is a list of the recommendations we believe to be the most important. Those recommendations should not be considered the only significant items. The reader should establish their own priorities after thoroughly studying this report, reviewing all the recommendations in the report, and consulting experts or specialists as desired.

Structure

1.3 Cripple Walls

The cripple wall framing was damaged by apparent wood destroying organism activity at the left side. We recommend review and repairs as necessary by a licensed contractor. If a current pest report is not available, we recommend having the property inspected by a licensed structural pest inspector for more information.

1.5 Seismic

Seismic upgrades were not installed on the building substructure, and it will be prone to significant damage in a large earthquake. To strengthen the building and help prevent significant damage, we recommend seismic retrofitting by a licensed contractor who is familiar with current retrofit standards.

1.7 Basement / Crawl Space Misc

The rear crawl space was too small to enter and could not be inspected. Current standards require a minimum of 18 inches. We recommend excavations or modifications as necessary, followed by inspection, as reportable conditions could exist.

Exterior

2.0 Site, Grading, and Drainage

A drainage system was not observed for this property. Based on the moisture related damage observed in the sub area, we recommend the installation of a drainage system to collect and divert surface water, roof runoff, and subsurface water. Several licensed drainage contractors should be consulted for advice, design options, and cost estimates.

2.11 Stairs and Railings

A guardrail at the front stairs was loose at its attachment and may fail when stressed, posing a safety hazard. We recommend review and repairs as necessary by a licensed contractor.

Plumbing

4.7 Drain & Waste Piping

The drain piping serving the laundry sink was actively leaking. We recommend immediate repairs as necessary by a licensed plumbing contractor.

4.9 Gas Service

An automatic seismic gas shut-off valve was not installed. Fires can cause significant damage after a large earthquake and this type of valve is intended to automatically shut off the gas in an earthquake. We recommend the installation of an automatic seismic shutoff valve by a licensed plumbing contractor.

Electrical

6.0 Electrical Service

The size of the electrical service was outdated and did not meet current standards. With changes in patterns of use, the existing electrical service could soon become inadequate. As an upgrade, increasing the electrical service capacity should be considered.

6.1 Main Disconnect / Main Panel

The main electrical panel was manufactured by Zinsco. It has been found that many of the circuit breakers have become damaged due to poor connections within the panel. Because such malfunctions could result in serious personal injury or property loss, we recommend replacement of this panel by a licensed electrical contractor.

The protective "dead-front" cover was missing from the main electrical panel, creating a shock hazard. We recommend securing the panel until it can be replaced. *Repaired well*

6.3 Subpanels

A "twist-out" was missing from the subpanel dead-front cover. Such openings expose persons to possible contact with energized electrical components inside the panel, which is a shock hazard. We recommend review and repairs as necessary by a licensed electrical contractor.

6.9 GFCI Protection

GFCI protection was not provided for all of the receptacles where this type of protection is presently required. GFCI protection is a modern, inexpensive safety feature designed to help prevent shock, particularly in wet locations. We recommend the installation of GFCI protection by a licensed electrical contractor in all areas where it is presently required. See: <http://jmcinspections.com/what-is-gfci-protection>

6.11 Electrical - General

The electrical system was in need of significant repair. We observed instances of improper wiring, defective components, and/or unsafe conditions. We recommend a thorough review of the entire system by a licensed electrician and repair, as necessary to ensure that it is safe and dependable.

Heating / Cooling

7.5 Exhaust Venting

A condensate drain was not installed for the furnace. Condensate is acidic, and without a proper disposal system, the internal furnace components can quickly deteriorate. We recommend review and repairs as necessary by a licensed HVAC contractor.

Corrected in permit-2019

Kitchen

12.3 Kitchen Ventilation

The corrugated flex duct used in the kitchen ventilation system is substandard, as it can allow grease build-up and become a fire hazard. We recommend replacement of this duct with an approved material by a licensed contractor.

Replaced with permit - 2019

Interior

13.2 Smoke Alarms

One or more of the smoke alarms were an older ionization sensor type. We recommend replacement of all ionization smoke alarms with units that utilize photoelectric technology as they have been proven to be more effective than ionization smoke alarms.

2836 Carmel Street List of Improvements:
The cottage was completely renovated

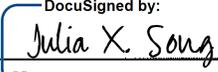
- Sewer Lateral Compliant
- New Kitchen with Brand New Appliances
- New Bathroom
- New Engineered Birchwood Floors
- New Dual-Pane Windows
- New Tankless Water Heater
- New Copper Water Lines
- New Central Heater with New Conduits
- New In-Wall & Ceiling Insulation
- Upgraded Electrical
- New Recessed Lighting
- New CAT6 Wiring with New Enterprise-Grade Wireless Access Point
- New Surveillance Camera System.
- New Backyard Fence
- New French Drains

Buyer

Date

Buyer

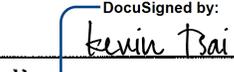
Date

DocuSigned by:


Seller 64AB7A2BC8040F...

7/16/2019

Date

DocuSigned by:


Seller 60ABEF06D2B5427...

7/16/2019

Date

APCO

Lic. #808048
PAVING COMPANY

INVOICE
DATE: 7-16-19
INVOICE:1030

(925) 827-9850 1790 Farm bureau rd.
(925) 680-0905 Fax Concord, CA. 94519

RECEIVED AND READ
DATE _____

BILL TO: Kevin Tsai

SHIP TO: 2836 Carmel St Oakland, CA

ATTN: Christian

DocuSigned by:
Kevin Tsai DocuSigned by:
Julia X Song
60ABEF06D2B5427... 164AB7A2BC8040F...

P.O. NUMBER	TERMS	REP	SHIP	VIA	F.O.B.	PROJECT
net one						
QUANTITY	ITEM CODE	DESCRIPTION	PRICE EACH	AMOUNT		
<ol style="list-style-type: none"> 1. Clean existing asphalt in prep for asphalt overlay. 2. Install new base rock where needed in prep for paving. 3. Install new 2x4 header board. 4. Install new asphalt over existing driveway. 						

Total \$18,000.00

**Recorded at the request of
Old Republic Title Company
Berkeley Branch**

Escrow No. 11202103101

Recording Requested By and
When Recorded Return To:

Kevin Tsai
2840 Carmel Street
Oakland, CA 94602

CERTIFIED A TRUE COPY OF THE ORIGINAL
RECORDED IN THE OFFICIAL RECORDS OF
ALAMEDA COUNTY ON 7-12-19

Under Recorder's Serial No. 2019133213

Old Republic Title Company
BY [Signature]

**RECEIVED AND READ
DATE** _____

DocuSigned by:
Kevin Tsai
60ABEF06D2B5427...

DocuSigned by:
Julia X. Song
164AB7A2BC8040F...

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF 2836-2840 CARMEL STREET, OAKLAND, CALIFORNIA,
a Condominium Project**

**THIS DECLARATION CONTAINS A BINDING ARBITRATION PROVISION IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT.
YOU MUST READ THE ARBITRATION PROVISION CAREFULLY AND SHOULD CONSULT LEGAL COUNSEL WITH ANY QUESTIONS.**

IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, GENDER, GENDER IDENTITY, GENDER EXPRESSION, SEXUAL ORIENTATION, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, ANCESTRY, FAMILIAL STATUS, SOURCE OF INCOME AS DEFINED IN SUBDIVISION (P) OF SECTION 12955 OF THE GOVERNMENT CODE, DISABILITY OR GENETIC INFORMATION OF THAT PERSON, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID, AND MAY BE REMOVED PURSUANT TO SECTION 12956.2 OF THE GOVERNMENT CODE. LAWFUL RESTRICTIONS UNDER STATE AND FEDERAL LAW ON THE AGE OF OCCUPANTS IN SENIOR HOUSING OR HOUSING FOR OLDER PERSONS SHALL NOT BE CONSTRUED AS RESTRICTIONS BASED ON FAMILIAL STATUS.

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF
2836-2840 CARMEL STREET, OAKLAND, CALIFORNIA,
a condominium project

THIS DECLARATION (this "Declaration") is made this 26th day of June, 2019
by KEVIN TSAI AND JULIA X.SONG (collectively, "Declarant") with reference to the following facts:

Recitals:

A. **Property Description.** Declarant, collectively own that certain real property commonly known as 2836-2840 Carmel Street, located in the City of Oakland, County of Alameda, as more particularly described on Parcel Map 10788 which was filed on the 10th day of July, 2019, in Book of Parcel Maps 342, pages 91&92, in the office of the Recorder of Alameda County, California.

B. There exists upon the Property three (3) residential units and common area.

C. **Subdivision.** Declarant intends that the above-described property be a "condominium project" within the meaning of California Civil Code ("Civil Code") §4125 and be subject to the provisions of the Davis-Stirling Common Interest Development Act (the "Act") (Civil Code §§4000 *et seq.*). Declarant intends to subdivide and develop the property to a residential condominium project pursuant to a Condominium Plan described herein, and to impose on the property mutually beneficial restrictions under a general plan of improvement for the benefit of all of the Condominiums and the Owners thereof as described herein.

D. **Owner's Interest.** The Owner of a Condominium will receive a separate interest in an individual Unit and an undivided interest in common in a portion of the Common Area with the other Owners of Condominiums. Each Condominium shall have appurtenant to it a membership in the 2836-2840 Carmel Street Homeowners Association, an unincorporated association.

E. **General Plan of Improvement.** Declarant intends by this document to impose upon the Project mutually beneficial restrictions under a general plan of improvement for the benefit of all of the Condominiums and the Owners thereof.

NOW, THEREFORE, Declarant hereby declares that the property described herein as the "Project" is and shall be owned, held, sold, leased, mortgaged, encumbered, rented, used, occupied, improved and conveyed subject to the following limitations, restrictions, easements, covenants, and conditions, all of which are imposed as equitable servitudes pursuant to a general plan for the purpose of enhancing and protecting the value and attractiveness of the Project, and every part thereof, in accordance with the plan for the improvements of the Project and the division thereof into condominiums. All of the limitations, restrictions, easements, covenants, and conditions, shall run with the land and shall be binding upon Declarant and Declarant's successors and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Project.

ARTICLE I
DEFINITIONS

- 1.1. "Act" means the Davis-Stirling Common Interest Development Act (Civil Code §§4000 *et seq.*), as now in effect or as hereinafter amended or replaced.
- 1.2. "Assessment" means any Regular or Special Assessment made or assessed by the Association against an Owner and his or her Unit in accordance with the provisions of Article IV of this Declaration.
- 1.3. "Association" means the 2836-2840 Carmel Street Homeowners Association, an unincorporated association, and its successors and assigns.
- 1.4. "Association Rules" or "Rules" means the rules, regulations and policies adopted by the Association, pursuant to Section 3.4.2 of this Declaration, as the same may be in effect from time to time.
- 1.5. "Association Records" means the documents, statements, etc., described in Civil Code Section 5200.
- 1.6. "Assessment Lien" means the lien described in Section 4.1.2.
- 1.7. "Budget" means a written, itemized estimate of the Association's income and Common Expenses prepared pursuant to this Declaration.
- 1.8. "Common Area" means the portion of the Property, as defined below, not included within any Unit, as described in Civil Code §4095(a). Common Area includes, without limitation and without regard to location except as set forth in this Declaration: Land within the Property; all areas of the Property that lie beyond the boundaries of the Units, including; lawns, trees, shrubs and all other landscaping; sidewalks, walkways, driveway; fences, gates, patios, decks, porches, balconies, landings, and stairways not included within any Unit; the Project structures (except for the Units) as shown on the Condominium Plan; and the external wiring and plumbing, pipes and conduits and utility installations, wherever located. Some but not all portions of the Common Area are designated on the Condominium Plan by the letters "CA." As more particularly described in Section 2.2.3 below, portions of the Common Area are designated as Exclusive Use Common Area, as defined in Section 1.18 below, whose use and enjoyment are restricted to the Owners and occupants of the Units adjacent to such Exclusive Use Common Area.
- 1.9. "Common Expenses" means the actual and estimated expenses of operating and maintaining the Common Area and any Unit that the Association owns and is required to maintain, and all other sums designated as Common Expenses by or pursuant to the Governing Documents or by written agreement of the Owners, if any, all of which shall be shared by all Owners as provided in Section 4.2.1 below. All costs and expenses relating to Project elements that are not strictly Common Area, including Units and Exclusive Use Common Areas, are not Common Expenses and shall be borne separately by the Owners as described herein.
- 1.10. "Condominium" means an estate in real property as defined in Civil Code §§783 and 4125(b), consisting of (a) a separate fee interest in a Unit, (b) an undivided interest in common in the Common Area, (c) any exclusive or nonexclusive right or rights of entry or possession, easement or easements appurtenant to such Unit over the Common Area or other

areas of the Project as described in this Declaration, the Condominium Plan, and/or the deed to a Unit, and (d) a membership in the Association.

- 1.11. "Condominium Plan" means the three-dimensional plan of the Condominiums that identifies the Common Area and each separate interest pursuant to Civil Code § 4285, a copy of which Condominium Plan is attached as Exhibit A hereto and incorporated herein by reference.
- 1.12. "Declarant" means Kevin Tsai and Julia X. Song and all successors or assigns thereof that expressly assume the rights and duties of Declarant hereunder, in a recorded written document or by operation of law.
- 1.13. "Declaration" means this instrument, as it may be amended from time to time.
- 1.14. "Eligible Mortgages" means Mortgages held by "Eligible Mortgage Holders."
- 1.15. "Eligible Mortgage Holder" means a First Lender who has requested notice of certain matters from the Association in accordance with Section 11.1.3.
- 1.16. "Eligible Insurer or Guarantor" means an insurer or governmental guarantor of a First Mortgage who has requested notice of certain matters from the Association in accordance with Section 11.1.3.
- 1.17. "Exclusive Use Common Area" means those portions of the Common Area set aside for exclusive use by an Owner, as defined in Civil Code § 4145. Exclusive Use Common Area shall include those parcels designated on the Condominium Plan by the letter "Y" and any other part of the Property described in Section 2.2.3 below. Each such Exclusive Use Common Area shall be identified in the grant deed for each Condominium.
- 1.18. "First Lender" means any person, entity, bank, savings and loan association, insurance company, or other financial institution holding a recorded First Mortgage on any Condominium.
- 1.19. "First Mortgage" means any recorded Mortgage (made in good faith and for value) on a Condominium with first priority over other Mortgages encumbering the Condominium.
- 1.20. "Foreclosure" means the legal process by which a Condominium owned by an Owner who is in default under a Mortgage is sold pursuant to California Civil Code § 2924a *et seq.* or sale by the Court pursuant to California Code of Civil Procedure § 725a *et seq.* and any other applicable laws.
- 1.21. "Governing Documents" is a collective term that means and refers to this Declaration, the exhibits attached hereto, and the Association Rules, each as amended from time to time.
- 1.22. "Improvements" means any fixtures affixed to any Property in the Development within the meaning of Civil Code section 660.
- 1.23. "Major Components" means those elements of the Project, including, without limitation, structural elements, machinery and equipment, that the Association is obligated to maintain as provided in Civil Code § 5500(b).

- 1.24. "Mortgage" means any security device encumbering all or any portion of the Property, including any deed of trust.
- 1.25. "Member" means every person or entity that is an Owner entitled to membership in the Association as provided in this Declaration.
- 1.26. "Notice of Delinquent Assessment" means a notice of delinquent assessment filed by the Association for a delinquent Assessment pursuant to section 4.7.3.
- 1.27. "Owner" means any record holder of a fee simple interest in one of the Units, including each Declarant.
- 1.28. "Parcel Map" means the parcel map for the Property referenced in the Recitals of this Declaration.
- 1.29. "Person" means any natural person, partnership, trust, corporation, limited liability company, or other legal entity.
- 1.30. "Project" means the entire real property described above, and the improvements thereon which are intended to create a condominium project as described in Civil Code §4125.
- 1.31. "Property" means the real property described above, together with all improvements thereon, and all appurtenances thereto, subject to this Declaration.
- 1.32. "Regular Assessment" means an Assessment levied on an Owner and his or her Unit in accordance with Section 4.2 below.
- 1.33. "Reimbursement Charge" means a charge levied by the Association against an Owner to reimburse the Association for costs and expenses incurred in bringing the Owner and/or his or her Unit into compliance with the provisions of this Declaration, determined and levied pursuant to the provisions of this Declaration.
- 1.34. "Reserves or Reserve Funds" means that portion of the Common Expenses collected as part of the Regular Assessments levied against the Units in the Project allocated (i) for the future repair and replacement of, or additions to, the Major Components which the Association is obligated to maintain pursuant to this Declaration, including reserves for replacement of structural elements and mechanical equipment or other facilities maintained by the Association; and (ii) to cover the deductible amounts of any insurance policies maintained by the Association.
- 1.35. "Special Assessment" means an Assessment levied on an Owner and his or her Unit in accordance with Section 4.3 below.
- 1.36. "Unit" means the element of a Condominium that is owned separately, consisting of a separate interest in space, the boundaries of which are described as the area designated "unit" in the Condominium Plan.

The vertical boundaries of each Unit are to and including the exterior finished and unfinished surfaces, as the case may be, of all exterior perimeters walls, doors, windows, skylights and architectural features and projections of the residential building, situated approximately on the boundaries shown on the Condominium Plan. The horizontal boundaries of each Unit are to and including the lower exterior finished surface of the lowest elevation of the foundation of

such building, and the upper exterior finished surface of the highest elevation of the roof of the building, all as such surfaces may exist from time to time. Each Unit includes the airspace encompassed within its boundaries and all improvements therein, including bearing walls, columns, joists, girders, subfloors, roof, slabs and foundation; all windows, skylights, window boxes, window frames, sashes, screens and glazing, doorframes and doors, the hardware attached to them, and shutters, and awnings; fireplaces; tanks, pumps, motors, ducts, chimney, and other service equipment within or attached to the building; conduits, pipes, plumbing, wires, and other utility installations and appliances, wherever located within the building.

Each Unit is identified on the Condominium Plan by a number or letter preceded by the word "Unit."

1.37 "Utilities" means services or systems related to electricity, water, sewer, HVAC, communications, scavenger, recycling, elevator, and fire detection and suppression, and all incidental pipes, conduits, ducts, wiring, equipment and enclosures.

ARTICLE II PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

2.1 Description of Project. The Project consists of the underlying land, the Common Area, the Units and all other improvements located thereon.

2.2 Division of Property. The Property is divided as follows:

2.2.1 Units. A Unit includes, without limitation, all of the elements set forth in Section 1.36 above. A Unit does not include those areas and those things that comprise the Common Area.

In interpreting deeds and plans, the existing physical boundaries of the Unit or Unit reconstructed in substantial accordance with the Unit construction existing as of the date of this Declaration shall be conclusively presumed to be its boundaries, rather than the description expressed in the Condominium Plan or any other recorded document, regardless of minor variances between boundaries shown on the Condominium Plan or in any other recorded document and those of any Unit and regardless of settling or lateral movement of any Unit. Each Unit includes the building so described and the airspace so encompassed.

2.2.2 Common Area. The remainder of the Property constitutes and shall be referred to herein as Common Area, and includes, without limitation, all of the elements set forth in Section 1.8 above. Each Owner shall have, as appurtenant to his or her Unit, an equal undivided interest in the Common Area. Each Unit shall have appurtenant to it, nonexclusive rights of ingress, egress and support through the Common Area. The undivided interests in the Common Area established hereunder cannot be altered without the unanimous consent of the Owners and their first Mortgagees. Each Owner may use the Common Area in accordance with the purposes for which it is intended without hindering the exercise of or encroaching upon the rights of any other Owners, subject to the rights of each Owner in any Exclusive Use Common Area appurtenant to that Owner's Unit.

2.2.3 Exclusive Use Common Area. Portions of the Common Area, referred to as Exclusive Use Common Area, are hereby set aside and allocated for the exclusive use of the Owner of the Unit to which they are either physically attached or assigned by Unit number on the Condominium Plan and are appurtenant to that Unit. The Exclusive Use Common Area consists of:

- (a) Exterior stairs, landings and hand rails that serve only a single Unit;
- (b) Water containment and drip irrigation systems designed to serve a single Unit;
- (c) Internal and external wiring and plumbing pipes and conduits designed to serve a single Unit;
- (d) Each yard space designated by the letter "Y" followed on the Condominium Plan by the number or letter of the corresponding Unit; and
- (e) The portion of the fences that bound the perimeter of the Exclusive Use Common Area yard space appurtenant to each Unit.

Except as provided in this Declaration and in Civil Code § 4145, no other portion of the Common Area shall be Exclusive Use Common Area. The foregoing interests are hereby established and are to be conveyed with the respective Units as indicated above, cannot be changed, except as herein set forth, and Declarant, its successors, assigns and grantees covenant and agree that the interests in the Common Area and the Units conveyed therewith, shall not be separately conveyed, and each such interest shall be deemed to be conveyed together even though the description in the instrument of conveyance or encumbrance may refer only to the Unit.

2.3 Easements. The following easements are reserved for each Unit and the Owner thereof:

2.3.1 Encroachment Easements. If any portion of a Unit encroaches on the Common Area due to engineering errors, errors or adjustments in original construction, reconstruction, repair, settlement, shifting, or movement of any Unit, or any other cause other than the intentional misconduct of an Owner, the Owner of the encroachment shall have the right to maintain, repair or replace the encroachment, as long as it exists and the rights and obligations of Owners shall not be altered in any way by such encroachment, settlement, or shifting.

2.3.2 Blanket Utility Easement. There is hereby created a blanket easement upon, across, over and under all of the Property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones, drainage and electricity. By virtue of this easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary equipment and underground facilities on the Common Area. Notwithstanding the foregoing, no sewer, electrical lines, water lines, or other utilities may be installed or relocated on the Property except as initially designed and approved by Declarant or thereafter approved by the Association. The easements provided for in this Section 2.3.2 shall in no way effect any other recorded easement on the Property.

2.3.3 Yard Spaces. There is reserved for the benefit of the Units and their Owners, a right for the exclusive use, possession and enjoyment of the yard spaces identified on the Condominium Plan by the letter "Y", and the corresponding Unit number or letter, as the case may be. The yard space rights of exclusive use of an Owner and his or her Unit, if any, shall be designated on the grant deed conveying each Unit to its Owner. All exclusive rights of use to Exclusive Use Common Area are subject to the right of the Association to enter in and upon such Exclusive Use Common Area for the purpose of maintaining and repairing the same and for enforcing the terms of this Declaration in accordance with this Declaration.

2.3.4 Ingress and Egress. There is reserved for the benefit of each Owner and Unit, a nonexclusive easement over and across the Common Area for ingress, egress, use and enjoyment of the Common Area subject to the limitations contained in this Declaration; (ii) a nonexclusive easement for the full use and enjoyment of those portions of any shared Utility.

2.3.5 Support. A nonexclusive right is granted to the Owners for the vertical/and lateral support of their Units, and every part thereof, through the load-bearing structural portion of the Common Area.

2.3.6 Sewer Easement. There is hereby created an easement upon, across, over and under all of the Property for installation, replacing, repairing and maintaining sewer lateral installations that provide service to each Unit.

2.3.7 Maintenance Easements. An easement is hereby granted to the Association, and to any contractor selected by the Association to enter in or to cross over the Common Area and any Unit to perform the duties of maintenance and repair of the Units or Common Area, provided that any entry by the Association or its agents into any Unit shall only be undertaken in strict compliance with Section 6.1.2.

2.3.8 Utility Meter Easement. There is hereby created easements for the benefit of Unit 2840 and Unit 2838, respectively, and the Owner of each thereof, over the portion of the northwest exterior wall of Unit 2836 wherein are located and attached utility meters that service exclusively Unit 2840 and Unit 2838, respectively, and an easement over, under and across the Exclusive Use Common Area yard space appurtenant to Unit 2836, all for the installation, maintenance and repair and replacement of such meters and the utility lines and conduits connected thereto.

2.3.8 Other Easements. Each Unit and its Owner, and the Association as to the Common Area, are hereby declared to be subject to all easements, dedications and rights-of-way granted or reserved in, on, over and under the Property and each Unit and Common Area as shown on the Condominium Plan.

2.4 Power to Grant Easements. The Association shall have the power and the right in the name of the Association and all of the Owners as their attorney-in-fact to grant, convey or otherwise transfer to any Owner or any other person or legal entity fee title, easements, leasehold estates, exclusive use easements or rights, or licenses in, on, over or under the Common Area in order to: (a) construct, erect, operate, maintain or replace lines, cables, wires, conduits or other devices for electricity, cable television, Internet services, fiber optics, telecommunication equipment, power, telephone and other purposes, public sewers, storm water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes and any similar public or quasi-public improvements or facilities; or (b) accomplish any other purpose that in the sole discretion of the Association is in the interest of the Association and its Members and does not unreasonably interfere with the use enjoyment of the Common Area. Each Owner in accepting a deed to a Unit expressly consents to such action and authorizes and appoints the Association as attorney-in-fact of such Owner to execute and deliver all documents and interests to accomplish the action, including, but not limited to, grant deeds, easements, and lot-line adjustments. Notwithstanding anything herein to the contrary, in no event shall the Association or Declarant take any action authorized hereunder that would permanently and unreasonably interfere with the use, occupancy and enjoyment by any Owner of his or her Unit or any Exclusive Use Common Area without the prior written consent of that Owner. Furthermore, the conveyance of fee title to any portion of the Common Area as authorized in this Section 2.3 shall require the consent of all of the Voting Members and such consent of the Mortgagees as may be required by Article XII.

2.5 Persons Subject to Governing Documents. All present and future Owners, tenants and occupants of the Units shall be subject to, and shall comply with, each and every provision of the Governing Documents, as the same or any of them shall be amended from time to time, unless a particular provision is specifically restricted in its application to one or more of such classes of persons (i.e., Owners, tenants, invitees, etc.). Acceptance of a deed to any Unit, entering into a lease or sublease (as permitted exclusively under Section 5.4.2 below) or contract of sale with respect to any Unit, or occupancy of any Unit by an Owner, tenant, or occupant shall constitute the consent and agreement of such Owner, tenant or occupant that each and all of the provisions of the Governing Documents, as the same or any of them may be amended from time to time, shall be binding upon such person and that such person shall observe and comply with the Governing Documents.

2.6 Delegation of Use of Units. Any Owner may delegate his or her rights to use and enjoy the Common Area to members of his or her family, his or her tenants, or contract purchasers who reside in such Owner's Unit. During any period when a Unit has been rented or leased, the Owner- lessor, his or her family, guests and invitees shall not be entitled to use and enjoy the Common Area, except to the extent reasonably necessary to perform the Owner's responsibilities as a lessor of his or her Unit. Nothing in this subsection shall be construed to permit an Owner to rent or lease his or her Unit in a manner inconsistent with Section 5.4.2 below.

2.7 Obligations of Owners. Owners of Units within the Property shall be subject to the following:

2.7.1 Owner's Duty to Notify Association of Tenants and Contract Purchasers. Each Owner that proposes to sell, rent or lease his or her Unit shall notify the Association of the name of the proposed contract purchaser or tenant of such Owner's Unit. Except as otherwise provided in this Declaration, no Owner or the Association shall be entitled under this Declaration to any priority or preferences with respect to the sale or offering for sale by any other Owner of his or her Unit.

2.7.2 Notification Regarding Governing Documents. As more particularly provided in Civil Code §4525, as soon as practicable before transfer of title or the execution of a real property sales contract with respect to any Unit, the Owner of such Unit shall give the prospective purchaser (a) a current copy of the Governing Documents; (b) the Association's most current financial statement, if any; (c) a true statement in writing from the Association as to the amount of (i) the Association's current Regular and Special Assessments and fees, (ii) any Assessments levied upon the Unit being sold that are unpaid as of the date of such statement, and (iii) information relating to late charges, attorneys' fees, interest, and reasonable costs of collection which, as of the date the statement is issued, are or may become a lien on the Unit being sold; and (d) a statement describing any change in the Association's current Regular and Special Assessments and fees which have been approved by the Owners but have not yet become due and payable as of the date of such disclosure statement.

2.7.3 Payment of Assessments and Compliance With Rules. Each Owner shall pay when due each Regular and Special Assessments levied against the Owner and his or her Unit or his or her proportionate share of each Common Expense as the case may be.

2.7.4 Discharge of Assessment Liens. Each Owner shall promptly discharge any lien that may hereafter become a charge against his or her Unit and the Common Area.

2.7.5 Joint Ownership of Units. If any Unit is owned by more than one Owner, the obligations and liabilities of such multiple Owners under the Governing Documents shall be joint and several. Without limiting the foregoing, this subsection 2.7.5 shall apply to all obligations, duties and responsibilities of Owners as set forth in this Declaration, including, without limitation, the payment of all Assessments.

ARTICLE III
HOMEOWNERS ASSOCIATION

3.1 Association Membership. Every Owner of a Unit shall automatically be a Member of the Association. No Owner may resign his or her membership. Membership is appurtenant to each Owner's Unit and may not be transferred apart from the Unit. Any transfer of title to a Unit (except a transfer solely for security for a loan) automatically transfers the membership to the transferee. Tenants who are delegated rights of use pursuant to Section 5.4.2 below, do not thereby become Members, although the tenant and members of the tenant's family shall, at all times, be subject to the provisions of all Governing Documents. Any attempt to make a prohibited transfer is void.

3.2 Voting Rights of Members. Each Unit shall have one (1) vote in the Association. If there is more than one Owner of any Unit, all Owners shall be Members, but only one vote shall be allocated to each Unit. The vote cast by any Member ("Voting Member") shall be conclusively presumed to be the vote cast by all Owners of the Unit for which the vote was cast. Fractional votes are not allowed. The power to cast a particular Voting Member's vote may be exercised by the Voting Member's conservator, the guardian of the Voting Member's estate, the parent(s) entitled to custody of a Voting Member if the Voting Member is a minor, or the executor or administrator of a deceased Voting Member's interest if the Voting Member's Unit is subject to administration in the Voting Member's estate. Each Owner may vote in person or by proxy. Each proxy shall be in writing, signed and dated by the Voting Member and filed with the Association. Each proxy shall be revocable and shall automatically cease upon actual notice to the Association of the conveyance by the Voting Member of his or her interest in his or her Unit or of the death or judicially-declared incompetence of such Voting Member. Votes represented by proxies shall be counted in determining whether a quorum exists at a meeting.

3.3 Governance. Because the Association consists of only three (3) Units there shall be no requirement for formal meetings to vote on matters before the Association, except that the Association shall meet annually, at which a quorum shall be present to adopt the budget described in Section 4.2 below and upon the written request of any Owner delivered to the other Owners not less than ten (10) days prior to the date of such meeting. The Association or each Owner, as the case may be, that convenes a regular or special meeting in accordance with this Section 3.3 and this Declaration shall deliver to all of the other Owners a written description of the matters to be discussed, and/or acted upon at such meeting not less than five (5) days prior to the date of any such meeting. The presence at any meeting of the Association, in person or by proxy, of all of the Voting Members shall constitute a quorum for any action. Any action that may be taken by the vote of Owners at a meeting of the Association may be taken without a meeting if all the Voting Members consent in writing. Except as otherwise expressly provided in this Declaration, all powers and duties conferred on the Association shall be exercised by the consent of all of the Voting Members in accordance with Section 3.2 above.

3.3.1 Owners may vote in person or by proxy. All proxies shall be in writing, dated, signed by the Owner, and provided to the Association not less than three (3) days prior to any Association meeting. Each proxy shall be revocable and shall automatically cease upon the occurrence of any of the following:

- (a) Conveyance by the Owner of such Owner's Unit;
- (b) Receipt of notice by the Association of the death, or judicially declared incompetence of the Owner that granted the proxy;
- (c) The expiration of eleven (11) months following the date of the proxy or the time provided in the proxy for its expiration, not to exceed three (3) years.

3.3.3 Teleconferences. The Owners may agree to conduct meetings by teleconference or other electronic means, either audio or video, or both, provided that the teleconference protects the rights of the Owners and complies with the requirements of Civil Code Section 4900 *et seq.* Participation in a teleconference constitutes presence at the meetings as long as all Owners participating the meeting are able to reasonably hear each other.

3.4 Powers and Duties of the Association. The Association shall have the rights and shall perform the duties described in this Declaration in addition to all other rights and duties provided or imposed by law, including but not limited to the Act, subject only to such limitations on the exercise of its powers as are set forth in the Governing Documents. It shall have the power to do any lawful thing required or permitted to be done under the Governing Documents and necessary, proper or incidental to the exercise of the express powers or duties of the Association or for the peace, health, comfort, safety and general welfare of the Owners. The duties and powers of the Association shall include, but are not limited to, the following:

3.4.1 Assessments. The Association may fix and levy Assessments against the Owners in the amount necessary for the purposes for which they are levied and collect and enforce payment of such Assessments in accordance with the provisions of Article IV below.

3.4.2 Association Rules. The Association may, from time to time, adopt reasonable Association Rules not inconsistent with this Declaration relating to the use of the Common Area and the conduct of the Owners and their families, guests and tenants with respect to the Project and the other Owners. The Association shall furnish each Owner with a copy of each proposed Rule at least fifteen (15) days prior to the Association's adoption of such Rule and with copies of all Association Rules adopted by the Association. The Association Rules shall be binding on all Owners, the Owners families, guests, tenants and employees, and all such persons shall comply with the Association Rules.

3.4.3 Sanctions.

(a) In addition to any other enforcement rights described in the Governing Documents, or authorized by law, and subject to any restrictions on the Association's enforcement rights imposed by the Governing Documents, including the due process requirements under Section 3.4.3(b) of this Declaration, the Association may take any of the following actions against any person or entity whose act or failure to act violates any provision of the Governing Documents:

- (i) Impose monetary penalties on an Owner, including late charges and interest, provided, however, that except in the case of a monetary penalties for late payment of any Assessments and/or charges to reimburse the Association for costs reasonably incurred (including attorneys' fees) in its efforts to collect delinquent assessments, a monetary penalty imposed by the Association as a disciplinary measure for failure of a Member to comply with the Governing Documents or as a means of reimbursing the Association for costs incurred by the Association in the repair of damage to Common Area for which the Member was allegedly responsible or in bringing the Member and his Unit into compliance with the Governing Documents may not be characterized as an Assessment which may become a lien against the Member's Unit enforceable by a sale of the Unit in accordance with the provisions of Sections 5650, 5700-5740, 2924, 2924(b) and 2924(c) of the Civil Code.

- (ii) Commence a legal action for declaratory relief, injunctive relief, or damages, or any combination of the foregoing.

(b) The determination of whether to impose any of the sanctions set forth in subsection (a) shall be within the sole discretion of the Association or any Member. Before the Association may impose any of such sanctions on an Owner for a breach of any of the provisions of the Governing Documents, the Association must act in good faith and must satisfy each of the following requirements:

- (i) The Owner shall be given written notice regarding the sanctions to be imposed and the reasons for the imposition of such sanctions at least fifteen (15) days before such sanctions are to take effect; and

- (ii) The Owner shall be given an opportunity to be heard, orally or in writing, by the Association, not less than five (5) days before the effective date of the sanctions.

(c) Any legal action may be brought in the name of the Association on its own behalf and on behalf of any Owner who consents, and the prevailing party in any such action shall be entitled to recover costs and reasonable attorneys' fees. The Association, in its sole discretion, may resolve or settle any dispute to which it is a party, including any legal action, on its own behalf and under such terms and conditions as it considers appropriate.

(d) The Association may take more than one of the foregoing enforcement actions against any violation or threatened violation, provided that a suspension of use privileges shall not exceed thirty (30) days (unless the suspension is for delinquent Assessments) and no monetary penalty shall exceed that permitted by Civil Code §5600(b), and that the procedures for notice and hearing for such action by the Association shall comply with the requirements of Civil Code Section 4820.

(e) Notwithstanding any provision of any of the Governing Documents to the contrary, the Association may not cause a forfeiture or abridgement of an Owner's right to the full use and enjoyment of his or her Unit on account of the failure by such Owner to comply with provisions of the Governing Documents or of duly enacted rules of operation for the Common Area except by judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the owner to pay Assessments duly levied by the Association.

3.4.4 Manager. The Association may employ a manager or other persons and contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, except for the responsibility to levy fines, impose discipline, hold hearings, file suit, record or foreclose liens, or make capital expenditures, provided that any contract with a firm or person appointed as a manager or managing agent shall not exceed a one (1) year term, shall provide for the right of the Association to terminate the same at the first annual meeting of the Members of the Association, and to terminate the same for cause on thirty (30) days' written notice, or without cause or payment of a termination fee on ninety (90) days' written notice, or for cause on thirty (30) days notice.

So long as any Mortgage that is a lien on a Unit is insured or guaranteed by the Federal Housing Administration ("FHA"), the Association shall not employ a management agent nor enter into a management contract nor undertake "self-management" until such time as the Federal Housing Commissioner has approved in writing the proposed management agent, and, if required, the form of management agreement or other management arrangement.

3.4.5 Maintenance. The Association shall manage and maintain in good condition and repair the Common Area in accordance with Section 6.1 below. The Association shall create and maintain a reserve fund out of Regular Assessments for the replacement of all elements of the Common Area.

3.4.6 Contracts. The Association shall have the power to contract for goods and/or services for the Common Area, for the Units, or for the Association, subject to limitations set forth elsewhere in this Declaration.

3.4.7 Insurance. The Association shall obtain and maintain the policies of insurance described in Article VII below.

3.4.8 Furnishing Utilities. The Association shall acquire, provide, and pay for water, sewer, garbage disposal, refuse and rubbish collection, electrical, telephone, gas, and other necessary utility services for the Common Area and the Units to the extent such services are not separately billed.

3.4.9 Discharge of Liens. The Association shall discharge any lien or encumbrance against the Common Area or any Unit that, in the opinion of the Association, may constitute a lien against the Common Area and assess a Reimbursement Assessment for all expenses incurred by the Association against the individual Owner responsible for the attachment of such lien or encumbrance to the Common Area.

3.4.10 Preparation and Distribution of Financial Statements, Reports, and Copies of Governing Documents. The Association shall prepare and distribute the following documents:

(a) A pro forma operating budget, which shall include all of the following:

(1) The estimated revenue and expenses on an accrual basis.

(2) A summary of the Association's reserves based upon the most recent review or study conducted pursuant to Section 5550 of the Civil Code which shall include all of the following:

(A) The current estimated replacement cost, estimated remaining life, and estimated useful life of each major component, if any.

(B) The current deficiency, if any, in reserve funding expressed on a per unit basis.

(b) A summary of the reserve funding plan adopted by the Association, if any, as specified in Section 5550(e) of the Civil Code.

(c) (1) A summary of the Association's property and general liability policies of insurance which shall be distributed not less than 30 days nor more than 90 days preceding the beginning of the Association's fiscal year, that includes all of the following information about each policy:

(A) The name of the insurer; (B) The type of insurance; (C) The policy limits of the insurance; and (D) The amount of deductibles, if any.

(2) The Association shall, as soon as reasonably practicable, notify the Members

by first-class mail if any of the policies described in paragraph (1) have lapsed, been canceled, and are not immediately renewed, restored, or replaced, or if there is a significant change, such as a reduction in coverage or limits or an increase in the deductible, as to any of those policies. If the Association receives any notice of nonrenewal of a policy described in paragraph (1), the Association shall immediately notify the Members if replacement coverage will not be in effect by the date the existing coverage will lapse.

(3) The summary distributed pursuant to paragraph (1) shall contain, in at least 10-point boldface type, the following statement:

"This summary of the Association's policies of insurance provides only certain information, as required by Section 5300(b)(9) of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Member may, upon request and provision of reasonable notice, review the Association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance may not cover your property, including personal property or, real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage."

3.4.11 Review of Accounts. On no less than an annual basis, the Association shall:

- (a) Review a current reconciliation of the Association's operating accounts;
- (b) Review a current reconciliation of the Association's reserve accounts, if any;
- (c) Review the current year's actual reserve revenues and expenses compared to the current year's budget;
- (d) Review the Association's income and expense statement for the operating and reserve accounts.

3.4.12 Review of Accounts. On no less than a quarterly basis, the Association shall:

- (a) Review a current reconciliation of the Association's operating accounts;
- (b) Review a current reconciliation of the Association's reserve accounts;
- (c) Review the current year's actual reserve revenues and expenses compared to the current year's budget;
- (d) Review the Association's latest account statements prepared by the financial institution(s) with whom the operating and reserve accounts are lodged; and
- (e) Review the Association's income and expense statement for the operating and reserve accounts.
- (f) Issue a statement to all Members regarding whether the Association has determined or anticipates that the levy of one or more Special Assessments will be required to repair, replace, or restore any major component or to provide adequate reserves therefor.

3.4.13 At least once every three (3) years the Association shall cause to be conducted a reasonably competent and diligent visual inspection of the accessible areas of the major components which the Association is obligated to repair, replace, restore, or maintain as part of a study of the reserve account requirements of the common interest development if the current replacement value of the major components is equal to or greater than one-half of the gross budget of the Association which excludes the Association's reserve account for that period. The Association shall review this study annually and shall consider and implement necessary adjustments to the Association's analysis of the reserve account requirements as a result of that review. The study required by this subdivision shall at a minimum include:

(a) Identification of the major components which the Association is obligated to repair, replace, restore, or maintain which, as of the date of the study, have a remaining useful life of less than 30 years.

(b) Identification of the probable remaining useful life of the components identified in paragraph (1) as of the date of the study.

(c) An estimate of the cost of repair, replacement, restoration, or maintenance of the components identified in paragraph (1) during and at the end of their useful life.

(d) An estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain the components identified in paragraph (1) during and at the end of their useful life, after subtracting total reserve funds as of the date of the study.

(e) As used in this section, "reserve accounts" means both (i) Monies that the Association has identified for use to defray the future repair or replacement of, or additions to, those major components which the Association is obligated to maintain; and (ii) the funds received and not yet expended or disposed from either a compensatory damage award or settlement to an Association from any person or entity for injuries to property, real or personal, arising from any construction or design defects. These funds shall be separately itemized from funds described in subsection (i) above.

3.4.14 Access. For the purpose of performing construction, maintenance or emergency repair for the benefit of the Common Area or the Owners in common, and/or to perform maintenance work that an Owner has failed to perform as provided in Section 6.2, the Association's agents or employees shall have the right, after reasonable notice (not less than seventy-two (72) hours except in emergencies) to the Owner of the Unit in which maintenance work has not been performed, to enter any such Unit or to enter any portion of the Common Area at reasonable hours. Such entry shall be made with as little inconvenience to the Owner as practicable and any damage caused by such entry shall be repaired by the Association at the expense of the Association.

3.4.15 Loans. The Association shall have the power to borrow money, and, only with the assent (by vote or written consent) of not less than all of the Voting Members to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

3.4.16 Security. The Association shall have the power (but not the obligation) to contract for security service for the Common Area. Notwithstanding the foregoing, if the Association elects to provide any security services or systems, neither the Association nor the Association shall be deemed to have made any representation or warranty to any Owner, nor the tenants or invitees of any Owner, nor to any other Person using the facilities or Improvements within the Project regarding security or safety. Each Owner shall be responsible for the security and safety of Persons who occupy

or use the Unit owned by the respective Owner. The Association shall not be subject to any claims or liability in connection with the provision of any security service or security system, or the failure to provide any security service or security system, within any portion of the Project.

3.4.17 Appointment of Trustee. Any Member acting on behalf of the Association, has the power to appoint or designate a trustee to enforce Assessment Liens by sale as provided in Section 4.1.2 and California Civil Code § 5700.

3.4.18 Litigation/Arbitration. Subject to compliance with Section 5975 of the Civil Code, the Association has authority to institute, defend, settle or intervene on behalf of the Association in litigation, arbitration, mediation, or administrative proceedings in matters pertaining to (a) enforcement of the Governing Documents, (b) damage to the Common Area, (c) damage to the separate interests which the Association is obligated to maintain or repair, or (d) damage to any Unit which arises out of, or is integrally related to, damage to the Common Area or Units that the Association is obligated to maintain or repair. The Association has authority to enter into a contingent fee contract with an attorney in a matter involving alleged design or construction defects in the Project, only as to the facilities or improvements the Association is responsible for maintaining as provided herein.

If, and to the extent that, there is any inconsistency between this Section 3.4.18 and applicable provisions of the California Civil Code and/or the California Code of Civil Procedure pertaining to the commencement of an action by the Association for construction defect litigation, the applicable provisions of the California statutes shall control.

3.4.19 Annual Reports.

(a) Along with the operating budget described in Section 3.4.11(a), the Association shall annually distribute to the Members the following:

(i) Dispute Resolution Reminder containing (i) a description of the Association's internal dispute resolution process (Article X below), and (ii) a copy or summary of Civil Code §5925 *et seq.* along with the following statement "Failure of a member of the Association to comply with the alternative dispute resolution requirements of §5930 of the Civil Code may result in the loss of your right to sue the Association or another member of the Association regarding enforcement of the Governing Documents or the applicable law."

(ii) Insurance Summary. A summary of the information regarding the Association's insurance coverage for property damage, general liability, earthquake (if any) and flood (if any), in compliance with Civil Code §5300(b)(9).

(iii) Assessment and Foreclosure Policy. The notices required by Civil Code Sections 5730 and 4040(b) relating to collections, foreclosures, payment plans, and Association meetings regarding these matters.

(iv) Alteration Approval Policy. A summary of requirements for Association approval of physical changes to the Property. The summary shall describe the types of changes that require Association approval and shall include a copy of the procedure used to review and approve or disapprove a proposed change.

(v) Secondary Address Notice. Notify the Owners of their right to submit a secondary address to the Association, pursuant to Section 13.2 and Civil Code §4040(b).

(vi) Summary of Reserve Funding Plan. Along with the operating budget, the Association shall distribute a summary of the Reserve Funding Plan described in Section 4.2 below and a notice that the full Reserve Funding Plan is available upon request to any Owner.

(b) Within one hundred and twenty (120) days after the close of the fiscal year, the Association shall prepare and distribute to each Owner an annual report for the previous year which includes an operating statement, a year-end balance sheet, and a statement of changes in financial position from the close of the prior year. The annual report shall mention that the statements were prepared without audit from the books and records of the Association.

(c) All such reports, disclosures and notices may be delivered by electronic means if the recipient has agreed to that method of delivery; any such consent shall be in compliance with Corporations Code §20.

3.4.20 Other Powers. In addition to the powers contained herein, the Association may exercise the powers granted to a nonprofit mutual benefit corporation under California Corporations Code § 7140.

3.4.21 Common Area Improvements. The Association shall have the authority and power to demolish, remove and reconstruct any and all improvements on or over or under the Common Area in a manner not inconsistent with this Declaration, and to construct, improve and repair improvements that are appropriate for the use and benefit of the Members of the Association.

3.5 Action on Behalf of the Association. Notwithstanding any provision of this Declaration to the contrary, any Owner may act on behalf of the Association to enforce the mandatory provisions of this Declaration without an affirmative authorization or vote by the Association. An affirmative vote of the Association shall be required for any action by or on behalf of the Association that does not involve the enforcement of a mandatory provision of this Declaration, except where otherwise expressly provided.

3.6 Commencement of Association's Duties and Powers. Until the closing of the first sale of a Unit in the Project, all duties and powers of the Association as described in this Declaration, including all rights of consent and approval, shall be and remain the duties and powers of Declarant. After the closing of the first sale of a Unit in the Project, the Association shall assume all duties and powers, and Declarant shall be relieved of any further liability for those duties and powers.

3.7 Inspection of Books and Records.

3.7.1 Any Owner, or that Owner's duly appointed representative, shall have access to the Association's membership register, books of account, and minutes from any meeting of the Owners, the Association, or any committee of the Association to inspect and copy such records for any purpose reasonably related to his or her interest as an Owner. Any Owner may, at his or her own expense, cause an audit or inspection to be made of the books and financial records of the Association. Access shall be provided at any reasonable time at the office of the Association. The Association shall establish rules regarding the notice an Owner must give to the custodian of the records or the Association to obtain access, the hours and days of the week when the records may be inspected and copied, and the charges to be imposed by the Association for copying records requested by an Owner.

3.7.2 Any Member of the Association may at any reasonable time inspect, copy, or make extracts of any Association records and inspect the physical property owned or controlled by the Association. Such Association records, including any "enhanced Association records" (as defined in Civil Code section 5565) shall be available for inspection and copying in the Association's business office for

the time periods and within the timeframes provided in Section 5210 of the Civil Code for inspection and copying by any Director or Owner, or the Director's or Owner's designated representative. The requesting Member shall be responsible for (a) the direct and actual cost of copying requested documents, and (b) an amount not in excess of ten dollars (\$10) per hour, and not to exceed two hundred dollars (\$200) total per written request, for the time actually and reasonably involved in redacting the enhanced Association records as provided in Section 5205(g) of the Civil Code. The Association shall inform the requesting Member of all the estimated costs, and the Member shall agree to pay those costs, before retrieving the requested documents.

3.7.3 Requesting Members shall have the option of receiving specifically identified records by electronic transmission or machine-readable storage media as long as those records can be transmitted in a redacted format that does not allow the records to be altered. The cost of duplication shall be limited to the direct cost of producing the copy of a record in that electronic format. The Association may deliver specifically identified records by electronic transmission or machine-readable storage media as long as those records can be transmitted in a redacted format that prevents the records from being altered.

3.7.4 Association records, and any information from them, may not be sold, used for a commercial purpose, or used for any other purpose not reasonably related to a Member's interest as a Member.

ARTICLE IV ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Unit within the Project, hereby covenants, and each Owner of any Unit by acceptance of a deed for that Unit, whether or not it shall be so expressed in such deed, covenants and agrees:

4.1.1 To pay Regular Assessments, Special Assessments, and Reimbursement Charges to the Association as established in this Declaration; and

4.1.2 To allow the Association to enforce any Assessment Lien established under this Declaration by non-judicial proceedings under a power of sale in accordance with Civil Code section 5700 or by any other means authorized by law.

The Regular and Special Assessments, including Reimbursement Charges, together with interest, late charges, collection costs and reasonable attorneys' fees, shall be a charge on the Unit and shall be a continuing Assessment Lien upon the Unit against which each such Assessment is made, the lien to become effective upon recordation of a Notice of Delinquent Assessment. Each Assessment, together with interest, late charges, collection costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Unit at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to his successors in title unless expressly assumed by them. No Owner shall be exempt from liability for payment of Assessments by waiver of the use or enjoyment of any of the Common Areas or by the abandonment of the Owner's Unit. No transfer of a Unit as the result of a foreclosure or exercise of a power of sale shall relieve the new Owner, whether it be the former beneficiary of the first encumbrance or another person, from liability for any Assessments thereafter becoming due or from the lien thereof.

The interest of any Owner in the amounts paid pursuant to any Assessment upon the transfer of ownership shall pass to the new Owner. Upon the termination of these covenants for

any reason, any amounts remaining from the collection of such Assessments after paying all amounts properly charged against such Assessments shall be distributed to the then Owners on the same pro rata basis on which the Assessments were collected.

4.2. Regular Assessments.

4.2.1 Initial Assessments. Until January 1 of the year immediately following the conveyance of separate title to a Unit to any Owner, including Declarant, the Regular Assessments shall be the amount determined by Declarant. On or before the first business day of the first month following the first conveyance of separate title to a Unit to any Owner, including Declarant, the Association shall prepare and distribute to each Owner a pro forma operating budget, estimating the total expenditures to be paid by the Association from the operating account for Common Expenses, including a reasonable reserve for contingencies and replacement of Common Area improvements for the remainder of the initial fiscal year. All Regular Assessments, if any, shall be allocated among each Unit in the proportions described in Section 2.2.2 above. The Regular Assessments provided for in this Declaration shall commence as to all Units covered by this Declaration on the first day of the month following the first conveyance of a Unit to an individual Owner, including Declarant. The first Assessment shall be adjusted according to the number of months remaining in the calendar year.

(a) Determination of Reserves. The Association shall at least once every three (3) years, cause a study to be conducted of the reserve account requirements for the Project's major improvements which the Association required to maintain, repair or replace.

(b) Reserve Funds Expenditure Limits. The Association shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, the Major Components which the Association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established.

4.2.2 Subsequent Assessments. At least forty-five (45) and not more than sixty (60) days prior to the beginning of the Association's first complete fiscal year, and each fiscal year thereafter, the Association shall estimate the total Common Expenses for such year (including a reasonable reserve for contingencies and replacement of Common Area improvements, less any expected surplus from the prior year), and distribute a copy of a pro forma operating budget to each Owner. The Association shall assess the total of such charges, if any, to all Owners as the Regular Assessments. All Regular Assessments shall be allocated among each Unit in the proportions described in Section 2.2.2 above. All items in the operating budget shall be assessed among all Owners in accordance with Section 4.2.1. All funds budgeted, allocated, assessed and collected for contingencies, deferred maintenance and replacement of Common Area improvements and any other areas of the Project the Association is required to maintain and repair pursuant to this Declaration shall be designated and subsequently used solely for such specific purpose.

4.2.3 Annual Accounting. Within forty-five (45) days after the end of each fiscal year, the Association shall prepare and distribute to each Owner an accounting of Assessment receipts and disbursements for that fiscal year. If such accounting shows a cash surplus exists in the operating account, the Owners shall vote as to whether to refund all or part of such surplus or as to whether such surplus shall be carried over to any future assessment periods to reduce any future Assessments.

4.2.4 Failure to Make Estimate. If, for any reason, the Association fails to make, or elects to not make an estimate of the Common Expenses for any fiscal year, then the Regular Assessment made for the preceding fiscal year, together with any Special Assessment made pursuant to Section 4.3 below, for that year, shall be assessed against each Owner and his or her Unit on account of

the then current fiscal year, and installment payments (as hereinafter provided) based upon such automatic Assessment shall be payable on the regular payment dates established by the Association.

4.2.5 Installment Payment of Assessments. The Regular Assessment levied against each Owner and his or her Unit, if any, shall be due and payable in advance to the Association in equal installments on the first day of each month or on such other date or dates as may be established from time to time by the Association. Installments of Regular Assessments shall be delinquent if not paid by the 15th day of the month in which the Assessment is due.

4.3 Special Assessments. If, at any time, the Regular Assessments for any fiscal year is insufficient in amount due to extraordinary expenses not contemplated in the budget prepared by the Association for such fiscal year, then the Association may, in its discretion, levy and collect a Special Assessment, applicable to the remainder of such year only, for the purpose of defraying, in whole or in part, any deficit which the Association may incur in the performance of its duties and the discharge of its obligations hereunder. When levied by the Association, the Special Assessment shall be divided among, assessed against and charged to each Owner and his or her Unit in the same manner prescribed for the allocation of Regular Assessments as provided in Section 4.2 above.

Special Assessments shall be due as a separate debt of the Owner of each Unit and shall be payable in full to the Association within thirty (30) days after the Association provides notice of such Special Assessment or within such extended period as the Association shall determine to be appropriate under the circumstances giving rise to the Special Assessment.

4.4 Maintenance of Assessment Funds. All sums received or collected by the Association from Assessments, together with any interest or late charges thereon, shall be promptly deposited in one or more insured checking, savings or money market accounts in a bank or savings and loan association selected by the Association, except that the Owners may agree to waive this requirement when such sums are to be immediately expended in their entirety to defray Common Expenses. The proceeds of all Assessments may be commingled in one or more accounts and need not be deposited in separate accounts.

4.5 Delinquent Assessments. If any installment payment of a Regular Assessment or lump sum or installment payment of any Special Assessment assessed to any Owner is not paid within fifteen (15) days after the same becomes due, such payment shall be delinquent and, in addition to the Assessment that is due, the Owner shall owe an amount equal to either ten percent (10%) of the Assessment that is due or Ten Dollars (\$10.00), whichever is greater.

4.6 Unallocated Taxes. In the event that any taxes are assessed against the Common Area, or the personal property of the Association, rather than being assessed to the Units, such taxes shall be included in the Regular Assessments and, if necessary, a Special Assessment may be levied against the Units in an amount equal to such taxes to be paid in two installments, thirty (30) days prior to the due date of each tax installment.

4.7 Enforcement. If an Owner fails to pay an Assessment when due, the Association or any Owner has the right, and option, to bring legal action against the Owner to enforce collection of the unpaid and past due Assessment, or may impose an Assessment Lien on the Unit owned by Owner pursuant to the provisions of Civil Code § 5700-5740. Suit to recover a money judgment for unpaid Assessments and attorneys' fees, shall be maintainable without foreclosing or waiving the lien securing the same. The Association shall distribute the written notice described in Civil Code § 5730(a) entitled "Notice of Assessments and Foreclosure" to each Member during the 60-day period immediately preceding the beginning of the Association's fiscal year. The notice is to be printed in at least 12-point type.

4.7.1 Statement of Charges. At least 30 days prior to the Association recording an Assessment Lien upon a Unit, the Association shall notify the owner of record pursuant to Civil Code § 5730 in writing by certified mail of the following:

(a) A general description of the collection and lien enforcement procedures of the Association and the method of calculation of the amount owed, a statement that the Owner has the right to inspect the Association's records, pursuant to Section 8333 of the Corporations Code, and the following statement in 14-point boldface type, if printed, or in capital letters, if typed: "IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION".

(b) An itemized statement of the charges owed by the Owner, including items on the statement that indicate the amount of any delinquent assessments, the fees and reasonable costs of collection, reasonable attorney's fees, any late charges, and interest, if any.

(c) A statement that the Owner shall not be liable to pay the charges, interest, and costs of collection, if it is determined the Assessment was paid on time to the Association.

(d) The right to request a meeting with the Association as provided by Civil Code § 5705(b).

Note: Any payments made by the Owner toward the debt shall first be applied to the Assessments owed, and, only after the Assessments owed are paid in full shall the payments be applied to the fees and costs of collection, attorneys' fees, late charges, or interest. When an Owner makes a payment, the owner may request a receipt and the Association shall provide it. The receipt shall indicate the date of payment and the person who received it. The Association shall provide a mailing address for overnight payment of Assessments.

The Association need not accept any tender of a partial payment of an Assessment and all costs and attorneys' fees attributable thereto. Acceptance of any such tender does not waive the Association's right to demand and receive full payment.

The provisions of this Section 4.7 are intended to comply with the requirements of Civil Code Sections 5700-5740 in effect as of January 1, 2014. If these Sections are amended or rescinded in any manner the provisions of this Section 4.7 automatically shall be amended or rescinded in the same manner. Civil Code Sections 5700-5740 may have been amended by the State Legislature, and the Association should confirm the current statutory requirements.

4.7.2 Right to Request Meeting. As provided in Civil Code § 5650(c), an Owner may dispute the debt noticed pursuant to Section 4.7.1, above, submitting to the Association a written explanation of the reasons for his or her dispute. The Association shall respond in writing to the Owner within fifteen (15) days of the date of the postmark of the explanation, if the explanation is mailed within fifteen (15) days of the postmark of the notice. The Owner may submit a written request to meet with the Association to discuss a payment plan for the debt noticed pursuant to Section 4.7.1, above. The Association shall provide the Owner the standards for payment plans, if any exist. The Association shall meet with the Owner in executive session within forty-five (45) days of the postmark of the request, if the request is mailed within fifteen (15) days of the date of the postmark of the notice, unless there is no regularly scheduled Association meeting within that period, in which case the Association may designate a committee of one or more members to meet with the Owner.

4.7.3 Notice of Delinquent Assessment. After compliance with the provisions of Civil Code § 5660, the Association may record a Notice of Delinquent Assessment and establish an Assessment Lien against the Unit of the delinquent Owner prior and superior to all other liens recorded subsequent to the Notice of Delinquent Assessment, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any First Mortgage of record recorded prior to the Notice of Delinquent Assessment. The Notice of Delinquent Assessment shall state the amount of the Assessment, collection costs, attorneys' fees, late charges and interest, a description of the Unit against which the Assessment and other sums are levied, the name of the record Owner, and the name and address of the trustee authorized by the Association to enforce the lien by sale. The notice shall be signed by any officer or Member of the Association or any management agent retained by the Association and shall be mailed in the manner set forth in Civil Code § 2924b to all record owners of the Unit no later than ten (10) days after recordation.

Within twenty-one (21) days after payment of the sums specified in the Notice of Delinquent Assessment, the Association shall record or cause to be recorded in the Office of the County Recorder in which the Notice of Delinquent Assessment is recorded a lien release or notice of rescission and provide the Owner a copy of the lien release or notice that the delinquent assessment has been satisfied.

4.7.4 Enforcement of Assessment Lien. Thirty (30) days following the recordation of the Notice of Delinquent Assessment, the Assessment Lien may be enforced in any manner permitted by law, including sale by the court, sale by the trustee designated in the Notice of Delinquent Assessment, or sale by a trustee substituted pursuant to California Civil Code § 2934(a). Any sale by the trustee shall be conducted in accordance with the provisions of §§ 2924, 2924b, 2924c, 2924f, 2924g, 2924h and 2924j of the California Civil Code applicable to the exercise of powers of sale in mortgages and deeds of trust, including any successor statutes thereto, or in any other manner permitted by law. The fees of a trustee may not exceed the amounts prescribed in Civil Code §§ 2924c and 2924d. Nothing in this Declaration shall preclude the Association from bringing an action directly against an Owner for breach of the personal obligation to pay Assessments.

The Association, acting on behalf of the Unit Owners, shall have the power to bid for the Unit at foreclosure sale, and to acquire and hold, lease, mortgage and convey the Unit. If the purchase of a Unit would result in a five percent (5%) or greater increase in Assessments, the purchase shall require the vote or written consent of all of the Voting Members. During the period a Unit is owned by the Association, following foreclosure:

- (a) no right to vote shall be exercised on behalf of the Unit;
- (b) no Assessment shall be assessed or levied on the Unit; and
- (c) each other Unit shall be charged, in addition to its usual Assessment, its share of the Assessment that would have been charged to such Unit had it not been acquired by the Association as a result of Foreclosure.

After acquiring title to the Unit at foreclosure sale following notice and publication, the Association may execute, acknowledge and record a deed conveying title to the Unit which deed shall be binding upon the Owners, successors, and all other parties.

The Association may temporarily suspend the voting rights and right to use Common Area facilities of a Member who is in default in payment of any Assessment, after notice and hearing, as provided in Civil Code 5900 *et seq.*

4.7.5 **Small Delinquencies.** Notwithstanding anything herein to the contrary, a delinquent Assessment in an amount less than \$1,800 (exclusive of any accelerated assessments, late charges, fees, attorneys fees, interest and costs of collection) and less than twelve (12) months delinquent, shall be collected only under the provisions of Civil Code Sections 5720(b)-(c), and may not be enforced by judicial or non-judicial foreclosure.

4.7.6 **Homestead Waiver.** Each Owner by acceptance of a deed to a Unit thereby waives the benefit of statutory debtor protection, including homestead and exemption rights, to the full extent permitted by law with respect to enforcement of Assessment Liens.

4.8 **Reimbursement Charges; Fines and Penalties.** The Association may levy a Reimbursement Charge against a Member to reimburse the Association for any of the following reasons:

(a) The damage or destruction of any portion of the Common Area by the willful misconduct or negligent act or omission of any Owner, any member of the Owner's family, or any Owner's guest, tenant, licensee or invitee which necessitates the Association to repair or replace such portion of the Common Area.

(b) An Owner and/or an Owner's Unit fails to comply with any provision of the Governing Documents which necessitates that the Association take any action to gain the compliance of the Owner and/or the Owner's Unit.

(c) A Unit is maintained in such a manner as to become a nuisance, fire or safety hazard for any reason that necessitates the Association to enter the Unit and correct the offensive or hazardous condition.

Reimbursement Charges levied against a particular Unit to reimburse the Association for costs incurred in bringing the Owner of the Unit into compliance with the Governing Documents shall not be subject to these allocation provisions described in Section 2.2.2 above. Any Reimbursement Charges levied in accordance with this Section 4.8 shall be limited to the amount required to reimburse the Association for the actual costs and expenses incurred and the amounts incurred to enforce the Association's rights under this Declaration as are then permitted by law. Reimbursement Charges shall be payable when directed by the Association after written notice to the Owners, which notice shall in no event be less than thirty (30) days. If an Owner disputes a Reimbursement Charge, the Owner may request a hearing before the Association. Except as hereinafter provided, Reimbursement Charges, fines and penalties for violation of this Declaration or the Rules are not "Assessments," and are not enforceable by an Assessment Lien, but are enforceable by court proceedings. Pursuant to Civil Code § 5725(b), monetary penalties imposed by the Association to reimburse the Association for costs incurred for repair of damage to Common Area or facilities for which the Owner, or guests or tenants of an Owner, were responsible may become the subject of an Assessment Lien. If Civil Code Section 5725(b) is amended to permit fines and penalties imposed by the Association for violation of this Declaration as a disciplinary measure for failure of an Owner to comply with this Declaration or the Rules to be enforceable by Assessment Lien, then this provision shall be deemed amended to conform to any such amendment of Civil Code Section 5725(b).

4.9 **Restrictions on Increases in Regular Assessments or Special Assessments.**

4.9.1 Approval of Members for Certain Assessments. Except as provided in Section 4.9.2, without having first obtained the approval of such action by the vote or written assent of majority of the Voting Members, the Association may not: (a) impose a Regular Assessment on any Unit which is more than twenty percent (20%) greater than the Regular Assessment for the immediately preceding fiscal year; or (b) levy a Special Assessment to defray the cost of any action or undertaking on behalf of the Association which in the aggregate exceeds five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

4.9.2 Increases for Emergency Purposes. Notwithstanding the limitations on Assessment increases contained in Section 4.9.1 above, the Association may increase Regular Assessments and impose Special Assessments to address emergency situations. For purposes of this Section 4.9, an emergency situation is any of the following:

- (a) An extraordinary expense required by an order of a court.
- (b) An extraordinary expense necessary to repair or maintain the Common Area where a threat to personal safety is discovered.
- (c) An extraordinary expense necessary to repair or maintain the Common Area that could not have been reasonably foreseen by the Association in preparing and distributing the budget pursuant to Section 4.2.1, above.

ARTICLE V USE RESTRICTIONS AND GUIDELINES

5.1 Plan of Development; Applicability; Effect. Declarant has created the Project as a residential development and, in furtherance of their and every other future Owners' interests, have in this Declaration established a general plan for the Project as a condominium project. The Property is subject to guidelines and restrictions governing land use, individual conduct, and uses of or actions upon the Property as provided in this Article V. This Declaration and any Rules the Members may adopt in accordance with Section 3.4.2 above, establish affirmative and negative covenants, easements, and restrictions (the "Use Guidelines and Restrictions").

Declarant has prepared initial Use Guidelines and Restrictions that contain general provisions applicable to the Project, as set forth below. Based upon these initial Use Guidelines and Restrictions, the Association shall adopt the initial Rules, if any, at its initial organizational meeting or by the written consent of all Members.

5.2 Association Power. The Association shall implement and manage the Use Guidelines and Restrictions through Rules that either adopt, modify, cancel, limit, create exceptions to, or expand the Use Guidelines and Restrictions. The Association shall have all powers necessary and proper to effect the powers contained in this Section 5.2.

5.3 Owners' Acknowledgment. All Owners are subject to the Use Guidelines and Restrictions and are given notice that (a) their ability to use their privately owned property is limited thereby, and (b) the Association may add, delete, modify, create exceptions to, or amend the Use Guidelines and Restrictions in accordance with Section 5.2. Each Owner by acceptance of a deed acknowledges and agrees that the use and enjoyment and marketability of his or her Unit can be affected by these provisions and that the Use Guidelines and Restrictions and Rules may change from time to time.

5.4 Initial Use Guidelines and Restrictions.

5.4.1 Permitted Uses and Occupancy. Each Unit shall be used exclusively for residential purposes by the Owners, their guests or their tenants. No trade or business may be conducted in any Unit except such professional or administrative practices as allowed by local ordinance, provided that there is not external evidence thereof and such use does not interfere with the quiet enjoyment of any other Owner of his or her Unit. Any Owner that uses his or her Unit for other than exclusively residential purposes in accordance with this Section, shall be solely responsible for paying all increases in any premium rates for, and other costs that arise from the cancellation or nonrenewal of any insurance policy or policies for any portion of the Project as a result of such Owner's use of his or her Unit. No Unit shall serve as the residence for or be occupied by more than two (2) persons for each bedroom within such Unit. This provision is not intended to prohibit occupancy by children. No Owner shall use or permit his or her family, guests, or tenants to use or occupy any tent, trailer, accessory building or accessory structure (as those terms are defined in the Alameda Municipal Code (zoning division), or any other form of shelter or cover on or within the Property as a dwelling, either temporarily or permanently.

5.4.2 Right to Lease.

(a) Except as expressly provided in this Declaration, each Owner shall be entitled to lease his or her Unit provided (a) the lease (i) is in writing, (ii) is for the entire dwelling-portion of such Unit, (iii) is made subject to the Governing Documents, including but not limited to the mediation and arbitration provisions of Section 10.1 below and includes a copy of this Declaration as part thereof, and any failure of the lessee to comply with the terms of the Declaration shall be a default under such lease; (b) such Owner complies with all applicable laws governing leasing or rental of residential units; and (c) a copy of the executed lease is provided to the Association prior to the commencement of the lease term.

(b) No Unit, or any room therein, may be leased or rented for transient, vacation or hotel purposes, which shall be defined as any period less than thirty (30) days, provided, however, that so long as an Owner occupies his or her Unit as his or her principal residence, she or he shall be permitted to rent or lease such Unit for any shorter period of time while he or she is temporarily absent therefrom due to work, vacation, or medical or other emergency reasons. No Unit shall be owned, leased or occupied pursuant to any time-sharing agreement of any kind. Each Owner-lessee shall provide his or her tenant with a current copy of all Governing Documents and shall be responsible for compliance by such tenant with all of the provisions of the Governing Documents during the tenant's occupancy and use of the Unit.

(d) Other than the foregoing, there is no restriction on the right of any Owner to lease his or her Unit. Any Owner that leases or rents his or her Unit, shall be responsible for the payment of all increases in any premium rates and all other costs for any insurance policy or policies obtained and maintained by the Association arising from such lease or rental of his or her Unit. Nothing in this Declaration shall be construed to prohibit an Owner from sharing his or her Unit with a non-Owner roommate.

5.4.3 Alterations to Units. Each Owner may improve or alter any improvements within the interior boundaries and exterior of his or her Unit without the prior consent of the Association, provided that such improvement or alteration does not impair the structural or acoustical integrity of the Unit, the utilities or other systems servicing the Common Area or any other Unit, does not involve altering any Common Area; and is made with all applicable governmental permits and approvals. Nothing contained herein shall be construed to limit the right of an Owner to paint the interior and exterior of his or her Unit any color desired. Proposed alterations to an Owner's Unit that

do not satisfy the criteria described in the foregoing sentence of this provision (e.g., alterations to Units that include changing the structure, shape, materials; or the rights of use and ownership of any part of the Common Area), shall require the prior approval of the Association, which consent shall not unreasonably withheld, conditioned or delayed.

5.4.4 Utility Upgrades; service payments.

(a) Notwithstanding anything to the contrary in this Declaration, an Owner shall have the right, at his or her sole expense, to upgrade the electrical and plumbing services to his or her Unit to provide increased amperage and water pressure, or otherwise improve such services; provided that (a) such upgrade(s) shall be done in accordance with all applicable governmental laws, codes and regulations; (b) the Owner shall obtain all necessary and required permits and deliver copies of such permits to the Association prior to the commencement of such upgrade; (c) such upgrade shall not interfere with or diminish the electrical or water service to any other part of the Project; (d) so long as practical, the wiring for any electrical upgrade shall run within the conduit for the existing wiring for such Unit and the pipes and plumbing for any water service upgrade shall follow the layout of the existing pipes and plumbing; and (e) such upgrade shall not interfere with the use or occupancy of any other Unit or the Common Area.

(b) Each Owner shall be solely responsible for the timely and full payment of all utility fees and charges for such utility services to such Owner's Unit that are regulated under a separate meter.

5.4.5 Common Area. The Common Area other than Exclusive Use Common Areas shall be used for purposes incidental and ancillary to the use of Units. No improvement, excavation or work which in any way alters any Common Area from its existing state on the date of this Declaration shall be made or done except by the Association or by the consent of the Association. There shall be no use of the Common Area except by the Owners, the permitted occupants of any Unit, or their respective guests. The Owner of each Unit shall be liable for all damages to the Common Area or improvements thereon, if any, caused by such Owner or any occupant of his or her Unit or guest, tenant or invitee, except for that portion of such damage, if any, fully covered by insurance.

5.4.6 Nuisance. No Owner, or such Owner's family, invitees, guests or tenants, may permit or suffer any activity to be conducted or any object, material or substance to be kept in any portion of the Project which will (a) obstruct or interfere with the rights of other Owners, (b) annoy other Owners by unreasonable noise, smell or otherwise, (c) be noxious, harmful or unreasonably offensive to other Owners, (d) be a violation of any governmental ordinance, statute, rule or regulation, or (e) increase the premium rate or cause the cancellation or non-renewal of any policy of insurance on any portion of the Project. Notwithstanding the foregoing, nothing in this Declaration shall be construed to preclude an Owner, or his or her guests or tenants from smoking or otherwise using combustible products within his or her Unit.

5.4.7 Garbage and Refuse Disposal. All rubbish, trash and garbage (whether organic or inorganic materials) shall be stored and maintained (except on regular days it is removed by the city's scavenger services) in Exclusive Use Common Area yard space appurtenant to each Unit, shall be regularly removed from the Property, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers. Trash that is accumulated by an Owner outside of a Unit shall be stored entirely within appropriate covered disposal containers and facilities located within designated garbage areas within the Exclusive Use Common Area yard space appurtenant to each Unit. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. No toxic or hazardous materials shall be stored or disposed of within the Project.

5.4.8 **Parking and Vehicle Restrictions.** No vehicles shall be permitted to be parked or stored upon any area within the Property, either temporarily or permanently, other than the Exclusive Use Common Area garage spaces within each Unit. There shall be no construction or repair of any permitted vehicle or any prohibited vehicle anywhere on the Property. There shall be no storage of large items that would prohibit the use of automobile parking within the designated garage spaces or the driveway directly adjacent to such garage spaces. All driveways and all garage spaces shall be kept free of any obstructions and available for automobile parking in the garage spaces at all times. No boats, trailers, campers, camper tops, recreational vehicles, or commercial trucks or vehicles shall be kept, parked, or stored, temporarily or permanently, anywhere on the Property, including the garage spaces.

5.4.9 **Animals.** No animals, reptiles, rodents, birds, fish, livestock or poultry shall be kept within any Unit or elsewhere within the Project, except that domesticated dogs, cats, aquatic animals kept within an aquarium, and birds inside bird cages may be kept as household pets within any Unit, if they are confined or kept on leash and not kept, bred or raised for commercial purposes or in unreasonable quantities. As used in this Declaration, "unreasonable quantities" shall be deemed to limit the total number of all dogs, cats and birds to two (2) per Unit. The Association can prohibit the keeping of any pet or other animal that, in the sole and exclusive opinion of the Association, constitutes a nuisance to any other Owner in the sole and exclusive opinion of the Association and any decision rendered by the Association shall be enforceable as other restrictions contained herein. Each person bringing, keeping or permitting another person to bring or keep a pet or other animal upon the Project shall be liable to other Owners, their family members, guests, invitees, tenants and contract purchasers, and their respective family members, guests, and invitees for any damage to persons or property proximately caused by the pet brought upon or kept upon the Project. The Association and its agents shall have no liability (whether by virtue of this Declaration or otherwise) to any Owners, their family members, guests, invitees, tenants and contract purchasers for any damage or injury to persons or property caused by any pet or other animal. Unless approved by the Association, no structures for the care, housing or confinement of any pet or other animal in any Unit shall be maintained so as to be visible from a neighboring Unit. No pets or other animals shall be permitted upon the Common Area except as controlled on a leash or similar device held by its owner or his agent. No pet or other animal shall be left chained or otherwise tethered outdoors within a Unit or in the Common Area. Pet or other animal owners shall be responsible for the prompt removal and disposal of animal wastes deposited by their animals in the Project. Each person bringing or keeping a pet or other animal within the Project shall be solely responsible for the conduct of the owner's pet or other animal.

5.4.10 **Activities Affecting Insurance.** Except as otherwise provided in Section 5.4.1 and 5.4.2 above, nothing shall be done or kept within any Unit or within the Common Area which will increase the rate of any insurance policy relating thereto without the prior written consent of all Members and no Owner shall permit improvements on the Property to be uninsurable against loss by fire or casualty or result in the cancellation of any insurance on any Unit or any part of the Common Area.

ARTICLE VI MAINTENANCE AND REPAIRS

6.1 Association's Maintenance Responsibilities.

6.1.1 Common Area Maintenance.

(a) Except as provided in Section 6.2 below, the Association shall keep and maintain the Common Area, in good condition and repair.

(b) The Association shall not be responsible for any maintenance, repairs or replacements of the Common Area caused by the willful or negligent acts or omissions of any Owner, or such Owner's family, guests or tenants, the cost of which is not covered by insurance. If the repair is covered by the insurance carried by the Association, the Association shall be responsible for making the repairs, and the responsible Owner shall pay any deductible pursuant to the insurance policy and any increase in the policy premiums resulting therefrom. The maintenance, repair or replacement of any items excluded from coverage under such policy shall be the responsibility of the Owner responsible for the harm. If the responsible Owner fails to maintain, repair or replace such excluded items, or pay any costs described in this subsection, the Association (i.e., any other Owner) shall do the maintenance, make the repairs or replacements, or pay such costs and be entitled to immediate reimbursement for the cost thereof from the responsible Owner.

6.1.2 Association's Limited Right of Entry. The Association, its agents, or any Owner may enter any Unit and Exclusive Use Common Area whenever such entry is necessary to perform any maintenance, repairs or construction for which such Owner or the Association is responsible. Such entry shall be made with as little inconvenience to the Owner of such Unit as possible, and only upon at least twenty-four (24) hours' prior written notice to the Owner, except in the case of an emergency.

6.1.3 In addition to the foregoing, the Association shall comply with commonly-accepted homeowners' maintenance obligations in performing the Association's maintenance obligations.

6.2 Owners' Maintenance Responsibilities.

6.2.1 Maintenance of Units. Each Owner shall have the exclusive obligation, at his or her sole expense, to maintain and repair his or her Unit in a clean, sanitary and attractive condition. An Owner's obligations shall include all exterior and interior Unit maintenance, painting, cleaning and repairing, including, the exterior surfaces of the perimeter walls, the roof, and all windows, skylights, and doors contained within the perimeter of his or her Unit, and all utility lines, pipes and conduits that serve his or her Unit. Each Owner of a Unit shall have the right to substitute new finished surfaces for the finished surfaces the exterior walls of his or her Unit, provided that such replacement surfaces do not adversely affect the architectural aesthetic of the Project, except upon the prior written consent of the Association, and that all replacement surfaces conform to all applicable ordinances, building codes, and regulations, including, without limitation, those governing sound suppression.

6.2.2 In order to reduce the presence of molds, fungi, spores, pollens, other botanical substances, or other allergens within the Unit (collectively "Mold"), Owners shall perform each of the following steps: (a) inspect the Unit (both exterior and interior) not less frequently than once each quarter to check for water leaks or other breaches of the watertight integrity of the Unit and for the presence of Mold; (b) if any water leaks and/or Mold are detected, immediately take appropriate corrective steps to repair the leak and/or remove the Mold; (c) maintain proper ventilation (particularly in bathrooms) and humidity levels to reduce the risk of Mold growth; (d) periodically inspect refrigerator condensation pans, air conditioners (if applicable), and any other water-retaining appliances for the presence of Mold; (e) avoid carpeting or similar types of floor covering in bathrooms that may be conducive to Mold growth; (f) replace heating and air conditioning filters not less frequently than quarterly or as recommended by the manufacturer; and (g) take such other prudent steps as may be appropriate to prevent Mold growth or eliminate any existing Mold. In addition to the foregoing, each Owner shall comply with each of the following in performing the Owner's maintenance obligations: (i) the Guidelines described in Section 6.2.1; and (ii) commonly-accepted homeowners' maintenance obligations.

6.2.3 In addition, each Owner shall have the responsibility to make all inspections required by the National Home Maintenance Manual published by the Building Standards Institute, Sacramento, CA. If an Owner believes that there may be a defect in the Project or in their unit, that Owner shall give notice to the Association and to Declarant within sixty days of discovery of the purported defect, in order to allow Declarant an opportunity to investigate and, if appropriate, make repairs.

6.2.4 Notwithstanding the foregoing, if, during any period of time that the Federal National Mortgage Association ("FNMA") is a First Mortgagee or Owner within the Property, the FNMA requirements for condominium projects require that any of the foregoing obligations of an Owner be performed by the Association, the Association shall perform such obligations, except to the extent any such performance by the Association has been waived in writing by FNMA. The Owners for whom any such obligations are performed by the Association shall reimburse the Association for the costs of such performance within thirty days after the Association has furnished a statement for such costs. The Association shall have the right to delegate any of its obligations under this Section 6.3 to any person or entity.

6.2.5 Exclusive Use Common Area Maintenance. Each Owner granted the use of any Exclusive Use Common Area shall keep and maintain such area in good repair and in a neat, clean orderly and attractive manner, at his or her sole expense.

ARTICLE VII INSURANCE

7.1 Association Commercial General Liability Insurance. The Association shall obtain and maintain a commercial general liability insurance policy insuring the Association, any manager, Declarant and the Owners and occupants of the Units and their respective family members against any liability incident to any bodily injury or property damage from any accident or occurrence within the Common Area. The policy shall also cover any liability incident to any bodily injury or property damage from any accident or occurrence within any Unit related to any maintenance or repair work required to be performed on any Unit by the Association pursuant to this Declaration, including, but not limited to, work performed in any Common Area. The policy shall include, if obtainable, a cross liability or severability of interest endorsement insuring each insured against the liability to each other. The limits of such insurance shall not be less than \$2,000,000 per occurrence covering all claims for death, personal injury and property damage arising out of a single occurrence. Such insurance shall include coverage against water damage liability, liability for non-owned and hired automobiles, liability for property of others, and other liability or risk customarily covered with respect to projects similar in construction, location and use and shall require at least 30 days' written notice to the Association before the policy can be cancelled or substantially modified unless the policy is being replaced with a policy of equivalent coverage. The policy shall be primary and noncontributing with any other liability policy covering the same liability.

7.2 Owner's Casualty Insurance. Each Owner shall obtain and maintain a separate property insurance policy for the entirety of his or her Unit that satisfies the following minimum conditions:

7.2.1 Property Covered. The policy shall cover the following real and personal property:

(a) Units. The entirety of the Unit building including, but not limited to, all fixtures, machinery and equipment, permanently affixed to the Unit building and any equivalent replacements thereto, roof, exterior and interior walls, wall surface materials (e.g., paint, tiles,

carpets, and hardwood floors doors and windows; utility fixtures (including gas, electrical and plumbing); cabinets; built-in appliances; heating and air-conditioning systems; water heaters and any equivalent replacements thereto; fences; monuments; lighting fixtures; but excluding land; foundations; excavations; and other items typically excluded from property insurance coverage; and

(b) Landscaping. Lawn, trees, shrubs and plants located in the Exclusive Use Common Area appurtenant to the Unit.

7.2.2 Covered Cause of Loss. The policy shall provide coverage against losses caused by fire and all other hazards normally covered by a "special form" policy or its equivalent.

7.2.3 Dollar Limit. The dollar limit of the policy shall not be less than the full replacement value of the covered property described in Section 7.2.1 above, provided that there may be lower dollar limits for specified items as is customarily provided in property insurance policies.

7.2.4 Primary. The policy shall be primary and noncontributing with any other insurance policy covering the same loss.

7.2.5 Endorsements. The policy shall contain the following endorsements or their equivalents: agreed amount, boiler and machinery (to the extent applicable), inflation guard, ordinance or law, replacement cost and such other endorsements as the Association in its discretion shall elect.

7.2.6 Waiver of Subrogation. The policy shall waive all subrogation rights against the Association, any Owner or occupant and their family members and invitees.

7.2.7 Deductible. The amount of any deductible shall be paid by the Owner.

7.3 Owners' Property Insurance. Each Unit Owner shall maintain property insurance against losses to personal property located within the Owner's Unit and to any upgrades or additions to any fixtures or improvements located within the Unit and liability insurance against any liability resulting from any injury or damage occurring within the Unit. The Association's insurance policy or policies will not provide coverage against any of the foregoing. Any insurance maintained by an Owner must contain a waiver of subrogation rights by the insurer as to the other Owners, the Association, and any first Mortgagee of the Owners Unit. Each policy maintained by a Unit Owner shall have general liability insurance in an amount not less than \$100,000, unit owner building insurance in an amount not less than \$25,000 and a waiver of subrogation rights by the insurer as to the other Owners, the Association and any first Mortgagee of the Owner's Unit. The Association shall be named as an additional insured under the policy. The Association may from time to time increase the foregoing amounts under such terms and conditions as the Association shall elect and may require each Owner to periodically submit appropriate evidence that the required policy is in full force and effect.

No Owner shall separately insure any property covered by the Association's property insurance policy as described in Section 7.2 above. If any owner violates this provision and, as a result, there is a diminution in insurance proceeds otherwise payable to the Association, the Owner will be liable to the Association to the extent of the diminution. The Association may levy a reimbursement assessment against the Owners Unit to collect the amount of the diminution.

Each Owner is strongly advised to seek the advice of a qualified Insurance consultant regarding: (i) the amount of personal liability Insurance coverage the Owner should maintain because of the Owners ownership interest in the Common Area and Unit; and (ii) the availability of loss assessment Insurance coverage.

ARTICLE VIII
DAMAGE OR DESTRUCTION; CONDEMNATION

8.1 Restoration Defined. As used in this Article VIII, the term "restore" shall mean repairing, rebuilding or reconstructing Units damaged or destroyed as a result of a fire or other casualty to substantially the same condition and appearance in which they existed prior to fire or other casualty damage.

8.2 Insured Casualty. If any Unit is damaged or destroyed from a risk covered by the insurance required to be maintained by the Owner thereof and the insurance proceeds are sufficient to cover the loss, then the Owner thereof, to the extent permitted under existing laws and except as otherwise authorized under this Article VIII, shall restore the Unit to the same condition and in the same location and within the same airspace envelope as it was in immediately prior to the damage or destruction. The Owner shall proceed with the filing and adjustment of all claims arising under the Owner's existing insurance policies. The insurance proceeds shall be paid to and held by the Owner.

8.3 Inadequate Insurance Proceeds or Uninsured Loss or Uninhabitable Unit. If the insurance proceeds are insufficient to restore the damaged Unit or the loss is uninsured, or if the damage renders the Unit uninhabitable and the Units will not be restored in accordance with the provisions of Sections 8.2, such Owner, shall be empowered to sell his or her Unit in its then present condition on terms to be determined by such Owner, provided, however, that prior to such sale the Owner stabilize and render safe the remains of the damaged Unit.

8.4 Restoration of Partition Rights. Notwithstanding anything herein to the contrary, if the damage has rendered any Unit uninhabitable and (i) within one year of the date of the occurrence of the damage, the Owner thereof has not elected to repair the damage under the provisions of Sections 8.2 or if so has not commenced and diligently pursued the repair work, the restriction against partition described in Section 12.1 shall be null and void and any Owner may bring a partition action under the authority of Civil Code section 4610 or any successor statute thereto.

8.5 Authority to Effect Changes. If the Unit or portion thereof is damaged or destroyed or in need of renovation or rehabilitation and the Unit is repaired or reconstructed, the Unit may be repaired or reconstructed in a manner that alters the boundaries of the Units, Common Area, Exclusive Use Common Area, provided the following conditions are satisfied:

- (a) the alteration has been approved by the Voting Members and by the holders of any first Mortgages to the extent required herein;
- (b) the Voting Members have determined that the alteration is necessary in order to comply with current building code requirements, to most current building construction standards and procedures, or to improve the conditions and quality of the Unit;
- (c) the alteration does not materially change the location of any Unit or materially increase or reduce the size of the other Unit in the Project without the consent of the Owner of such other Unit and the holders of any first Mortgages thereon. For purposes herein, a material reduction in the size of the Unit shall mean any alteration that increases or decreases the square footage of the interior floor space of the Unit by more than 10% from the square footage as shown on the Condominium Plan;

(d) the Voting Members have determined that any alteration that will relocate or reduce the Common Area will not unreasonably interfere with the rights of the Owners and occupants to use and enjoy the Common Area; and

(e) the Condominium Plan is amended to refit the alteration to the Units, Common Area or Exclusive Use Common Area.

8.6 Condemnation. If there is a total sale or taking of the Project, meaning a sale or taking (i) that renders more than 50% of the Units uninhabitable (such determination to be made by the Association in the case of a sale and by the Court in the case of a taking) or (ii) that renders the Project as a whole uneconomical as determined by the vote or written consent of all all of those Owners and their respective first Mortgagees whose Units will remain habitable after the taking, the right of any Owner to partition through legal action as described in Section 12.1 shall revive immediately. However, any determination that a sale or taking is total must be made before the proceeds from any sale or award is distributed. The proceeds of any such total sale or taking of the Project, together with the proceeds of any sale pursuant to any partition action, after payment of all expenses relating to the sale, taking or partition action, shall be paid to all Owners and to their respective Mortgagees as their interests appear in proportion to the ratio that the fair market value of each Owner's Unit bears to the fair market value of all Owners' Units.

In the case of a partial sale or taking of the Project, meaning a sale or taking that is not a total taking as described above, the proceeds from the sale or taking shall be paid or applied in the following order of priority; and any judgment of condemnation shall include the following provisions as part of its terms:

- (a) to the payment of the expenses of the Association in effecting the sale or to any prevailing party in any condemnation action to whom such expenses are awarded by the Court to be paid from the amount awarded; then
- (b) to Owners and their respective Mortgagees as their interests may appear whose Units have been sold or taken in an amount up to the fair market value of such Units as determined by the Court in the condemnation proceeding or by an independent, qualified appraiser selected by the Association, less such Owners share of expenses paid pursuant to the preceding subsection (l) (which share shall be allocated on the basis of the fair market value of the Unit). After such payment, the recipient shall no longer be considered an Owner, and the Association or individuals authorized by the Association acting as attorney-in-fact of all Owners shall amend the Condominium Plan, the subdivision map (if necessary), and this Declaration to eliminate from the Project the Unit so sold or taken and to adjust the undivided ownership interests of the remaining Owners in the Common Area based on the ratio that each remaining Owners undivided interest bears to all of the remaining Owners' undivided interest in the Common Area; then
- (c) to any remaining Owner and to his or her Mortgagees, as their interests may appear, whose Unit has been diminished in fair market value as a result of the sale or taking disproportionately to any diminution in value of all remaining Units but, as of a date immediately after any announcement of condemnation, in an amount up to the disproportionate portion of the total diminution in value; then
- (d) to all remaining Owners and to their respective Mortgagees, as their interests may appear, the balance of the sale proceeds or award in

proportion to the ratio that the fair market value of each remaining Owner's Unit bears to the fair market value of all remaining Owners' Units as determined by the Court in the condemnation proceeding or by an independent, qualified appraiser selected by the Association.

Notwithstanding the foregoing, if the amount from the sale or taking is less than \$50,000, the Association may elect to retain the amount as a part of the Association's operating or reserve funds in lieu of making a distribution to the Owners.

8.7 Dispute Resolutions. If there are any disputes regarding the rights and/or duties of the Owners or the Association under this Article IX, the dispute shall be submitted to mediation and, if necessary binding arbitration, to the Judicial Arbitration and Mediation Services (JAMS), any successor thereto or any other alternative dispute resolution provider acceptable to the parties for resolution. If the mediation is unsuccessful, the dispute shall be resolved by binding arbitration in accordance with JAMS' commercial rules. The mediation and arbitration shall be held in the county where the Project is located. The parties shall be entitled to the discovery rights provided by Code of Civil Procedure section 1283.05. The arbitrator may award costs and attorneys' fees to the prevailing party. The arbitrator's decision shall be binding on the parties and may be enforced in any court of competent jurisdiction.

ARTICLE IX UTILITIES

9.1 Owners Rights and Duties. The rights and duties of the Owners with respect to sanitary sewer, water, drainage, electric, gas, television receiving, telephone equipment, cables and lines, exhaust flues, and heating and air conditioning facilities (hereinafter referred to, collectively, as "Utilities") shall be as follows:

9.1.1 Whenever Utilities are installed within the Property, which Utilities or any portion thereof lie in or upon Units owned by an Owner other than the Owner of a Unit served by such Utilities, the Owners of the Units served by such Utilities shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon the Units or to have the utility companies enter upon the Units in or upon which such Utilities, or any portion thereof, lie, to repair, replace and generally maintain them as and when necessary.

9.1.2 Whenever Utilities that serve more than one Unit are installed within the Property, the Owner of each Unit served by said Utilities shall be entitled to the full use and enjoyment of such portions of such Utilities as service his or her Unit.

9.1.3 The gas, electricity and water to each Unit shall be under a separate meter and each Owner shall be responsible for paying his or her own utility bills.

ARTICLE X BREACH AND DEFAULT

10.1 Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration, and in such action shall be entitled to recover reasonable attorneys' fees as are ordered by the court or arbitrator, as the case may be. If permitted by law, the Association has the right to record a Notice of Violation against the Unit of an Owner who is not in compliance with the provisions of the Governing Documents. Failure by the

Association or by any Owner to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

10.2 Dispute Resolution. The Association is authorized to resolve any civil claim or action through alternative dispute resolution proceedings such as mediation and/or binding arbitration proceedings.

10.2.1 Claims for Declaratory Relief or Enforcement of Project Documents. Prior to the filing of an enforcement action for declaratory, injunctive, or writ relief in conjunction with a claim for monetary damages not in excess of Ten Thousand Dollars (\$10,000), the Association, or any Owner who seeks such relief, shall first endeavor to submit the matter to alternative dispute resolution in compliance with the provisions of California Civil Code Sections 5925-5940. The Association shall comply with the requirements of California Civil Code Section 5965 by providing Members of the Association annually with a summary of the provisions of Article 2 (commencing with Civil Code Section 5925) of Chapter 10 (Division 4, Part 5) of the California Civil Code, including the following language: "Failure of a Member of the Association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of your right to sue the Association or another Member of the Association regarding enforcement of the Governing Documents or the applicable law."

10.2.2 Arbitration of Disputes. If a dispute is the subject of binding arbitration under this Declaration, the following shall apply:

(a) costs and fees of the arbitration, including ongoing costs and fees of the arbitration shall be paid as agreed by the parties, and, if the parties cannot agree, as determined by the arbitrator; provided, however, if the Declarant is a party to the arbitration, then any fee to initiate arbitration shall be paid by Declarant, but the cost of arbitration shall ultimately be borne as determined by the arbitrator;

(b) a neutral and impartial individual shall be appointed to serve as arbitrator, with the arbitrator to be selected by mutual agreement of the parties. If the parties are unable to agree on an arbitrator within fifteen (15) days after any party initiates the arbitration, a neutral and impartial arbitrator shall be selected by the JAMS. In selecting the arbitrator, the provisions of § 1297.121 of the Code of Civil Procedure shall apply. An arbitrator may be challenged for any of the grounds listed in §1297.121, or in § 1297.124 of the Code of Civil Procedure;

(c) venue of the arbitration to be in the County;

(d) the arbitration shall commence in a prompt and timely manner in accordance with (i) the Commercial Rules of JAMS, or if the rules do not specify a date by which arbitration is to commence, then (ii) by a date agreed upon by the parties, and if they cannot agree as to a commencement date, (iii) a date determined by the arbitrator. The arbitrator shall apply California substantive law in rendering a final decision. The arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages. When the arbitrator is prepared to make the award, the arbitrator shall first so inform the parties, who shall have ten (10) days to attempt to resolve the matter by a binding agreement between them. If the parties resolve the matter, the arbitrator shall not make any award. If the parties do not so resolve the matter within the ten (10) day period, the arbitrator shall make the award on the eleventh day following the arbitrator's notice of being prepared to make the award;

(e) the arbitration shall be conducted in accordance with the Commercial Rules of JAMS;

(f) the arbitration shall be conducted and concluded in a prompt and timely manner;

(g) the arbitrator shall be authorized to provide all recognized remedies available in law or equity for any cause of action that is the basis of arbitration;

(h) A judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of the award and an order of enforcement. The parties agree to be bound by the decision of the arbitrator, which shall be final and non-appealable;

(i) Preliminary Procedures. If state or federal law requires an Owner, the Association or Declarant to take steps or procedures before commencing an action in arbitration, then the Owner, the Association or Declarant must take such steps or follow such procedures, as the case may be, before commencing the arbitration. In addition, nothing contained herein shall be deemed a waiver or limitation of the provisions of California Civil Code Sections 6150, 6000, or 6100;

(j) Participation by Other Parties. An Owner, the Association and Declarant, to such extent any such party is defending a claim in the arbitration, may, if it chooses, have all necessary and appropriate parties included as parties to the arbitration;

(k) Federal Arbitration Act. Because many of the materials and products incorporated into the home are manufactured in other states, the development and conveyance of the Property evidences a transaction involving interstate commerce and the Federal Arbitration Act (9 U.S.C. § 1 *et seq.*) now in effect and as it may be hereafter amended will govern the interpretation and enforcement of the arbitration provisions set forth herein.

ARTICLE XI PROTECTION OF MORTGAGEES

11.1 Rights of First Mortgage Holders. No breach of any of the covenants, conditions and restrictions contained in this Declaration, nor the enforcement of any of its lien provisions, shall render invalid the lien of any First Lender on any Unit made in good faith and for value, but all of those covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through Foreclosure or trustee's sale, or otherwise. Notwithstanding any provision in the Governing Documents to the contrary, First Mortgage Holders shall have the following rights:

11.1.1 Copies of Governing Documents. The Association shall make available to Unit Owners and First Lenders, and to holders, insurers or guarantors of any First Mortgage, current copies of the Declaration, Articles or other Rules concerning the Project and the books, records and financial statements of the Association. "Available" means available for inspection and copying, upon request, during normal business hours or under other reasonable circumstances. The Association may impose a fee for providing the requested documents which may not exceed the reasonable cost to prepare and reproduce them.

11.1.2 Audited Statement. Any holder, insurer or guarantor of a First Mortgage shall be entitled, upon written request, to an audited financial statement for the immediately preceding fiscal year, free of charge to the party so requesting. Such statement shall be furnished within one hundred twenty (120) days of the Association's fiscal year-end.

11.1.3 Notice of Action. Upon written request to the Association, identifying the name and address of the Eligible Mortgage Holder or Eligible Insurer or Guarantor, and the Unit number or address, such Eligible Mortgage Holder or Eligible Insurer or Guarantor will be entitled to timely written notice of:

(a) Any proposed amendment of the Governing Documents effecting a change in (i) the boundaries of any Unit or the Exclusive Use Common Area or exclusive rights of use appertaining thereto, (ii) the interests in the Common Area or Exclusive Use Common Area appertaining to any unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Association appertaining to any Unit or (iv) the purposes to which any Unit or the Common Area are restricted;

(b) Any proposed termination of the Project;

(c) Any condemnation loss or any casualty loss which affects a material portion of the Project or any Unit on which there is a First Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder or Eligible Insurer or Guarantor, as applicable;

(d) Any default in performance of obligations under the Governing Documents or delinquency in the payment of Assessments or charges owed by an Owner of a Unit subject to a First Mortgage held, insured or guaranteed by such Eligible Mortgage Holder or Eligible Insurer or Guarantor, which remains uncured for a period of sixty (60) days;

(e) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(f) Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in section 11.1.4.

The Association shall discharge its obligation to notify Eligible Mortgage Holders or Eligible Insurers or Guarantors by sending written notices required by this Declaration to such parties, at the address given on the current request for notice.

11.1.4 Consent to Action.

(a) Except as provided by statute or by other provision of the Governing Documents in case of substantial destruction or condemnation of the Project, and further excepting any reallocation of interests in the Common Area(s) which might occur pursuant to any plan of expansion or phased development contained in the original Governing Documents:

(i) the consent of Owners of Units to which at least two-thirds (2/3) of the votes in the Association are allocated and the approval of Eligible Mortgage Holders holding Mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to Eligible Mortgages, shall be required to terminate the legal status of the Project as a condominium project;

(ii) the consent of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of Eligible Mortgage Holders holding Mortgages on Units which have at least fifty-one percent (51%) of the votes of the Units subject to Eligible Mortgages, shall be required to add or amend any material provisions of the Governing Documents which establish, provide for, govern or regulate any of the following: (i) voting rights; (ii) increases in Assessments that raise the previously assessed amount by more than twenty-five percent (25%), Assessment Liens, or the priority of Assessment Liens; (iii) reductions in reserves for maintenance,

repair, and replacement of Common Areas; (iv) responsibility for maintenance and repairs; (v) reallocation of interests in the Common Area or Exclusive Use Common Areas, or rights to their use; (vi) convertibility of Units into Common Areas or vice versa; (vii) expansion or contraction of the Project, or the addition, annexation, or withdrawal of property to or from the Project; (viii) boundaries of any Unit; (ix) hazard or fidelity insurance requirements; (x) imposition of any restrictions on the leasing of Units; (xi) imposition of any restrictions on an Owner's right to sell or transfer his Unit; (xii) restoration or repair of the Project (after damage or partial condemnation) in a manner other than that specified in the Governing Documents; (xiii) to grant exclusive use of any portion of a Common Area to any Member (except as otherwise provided in Section 4600 of the Civil Code); or (xiv) any provisions that expressly benefit Eligible Mortgage Holders, or Eligible Insurers, or Guarantors;

(iii) an Eligible Mortgage Holder who receives a written request, by certified mail or registered mail with return receipt requested, to approve additions or amendments without delivering or posting to the requesting party a negative response within sixty (60) days after the notice of the proposed addition or amendment shall be deemed to have approved such request, provided the notice has been delivered to the Eligible Mortgage Holder by certified or registered mail, return receipt requested.

(b) except as provided by statute in case of condemnation or substantial loss to the Units and/or common elements of the Project, unless the holders of at least two-thirds (2/3) of the First Mortgages (based upon one (1) vote for each First Mortgage owned), or Owners of the individual Units have given their prior written approval, the Association and/or the Owners shall not be entitled to:

(i) by act or omission, seek to abandon or terminate the Project as a condominium project (except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain);

(ii) change the pro rata interest or obligations of any individual Unit for the purpose of: (i) levying Assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or (ii) determining the pro rata share of ownership of each Unit in the Common Area, provided that no Owner's undivided interest in the Common Area may be changed without the consent of that Owner;

(iii) partition or subdivide any Unit;

(iv) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Condominium Project shall not be deemed a transfer within the meaning of this clause);

(v) use hazard insurance proceeds for losses to any of the Project (whether to Units or to Common Area) for other than the repair, replacement or reconstruction of such Project.

11.1.5 Right of First Refusal. The right of an Owner to sell, transfer, or otherwise convey his Unit shall not be subject to any right of first refusal or similar restriction.

11.1.6 Contracts. Any agreement for professional management of the Project, or lease or any other contract providing for services of the developer, sponsor, or builder, may not exceed

one (1) year. Any agreement, contract, or lease, including a management contract entered into prior to passage of control of the Association to purchasers, must provide for termination by either party for cause on thirty (30) days' written notice, or without cause and without payment of a termination fee or penalty on ninety (90) days' or less written notice.

11.1.7 Reserves. Condominium dues or charges shall include an adequate Reserve Fund for maintenance, repairs, and replacement of those improvements which the Association is obligated to maintain and that must be replaced on a periodic basis, and shall be payable in regular installments of Regular Assessments, rather than by Special Assessments.

The Association shall establish and maintain a Reserve Fund for replacements and a general operating reserve.

11.1.8 Priority of Liens. Any Assessment Lien created under the provisions of this Declaration is expressly made subject and subordinate to the lien and encumbrance of any First Mortgage that encumbers all or any portion of the Project, or any Unit. Each First Lender who comes into possession of the Unit by virtue of Foreclosure of the Mortgage, or any purchaser at a Foreclosure, will take the Unit free of any claims for unpaid Assessments and fees, late charges, fines or interest levied in connection with such claims, against the Unit which accrue prior to the time such First Lender or purchaser at a Foreclosure takes title to the Unit, except for claims for a pro rata share of such Assessments or charges to all Units including the mortgaged Unit, and except for Assessment Liens as to which a Notice of Delinquent Assessment has been recorded prior to the Mortgage.

11.1.9 Distribution of Insurance or Condemnation Proceeds. No provision of the Governing Documents gives an Owner, or any other party, priority over any rights of First Lenders in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or taking of Units and/or Common Area.

11.1.10 Termination of Professional Management. With respect to the Common Area, when professional management has been previously required by the Governing Documents or by any Eligible Mortgage Holder or Eligible Insurer or Guarantor, whether such entity became an Eligible Mortgage Holder or Eligible Insurer or Guarantor at that time or later, any decision to establish self management by the Association shall require the prior consent of Owners of Units to which at least two-thirds (2/3) of the votes in the Association are allocated and the approval of Eligible Mortgage Holders holding Mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to Eligible Mortgages.

11.1.11 Status of Loan to Facilitate Resale. Any First Mortgage given to secure a loan to facilitate the resale of a Unit after acquisition by Foreclosure or by a deed in lieu of Foreclosure or by an assignment in lieu of Foreclosure, shall be deemed to be a loan made in good faith and for value and entitled to all of the rights and protections of Mortgages under this Declaration.

11.1.12 Right to Appear at Meetings. Any Eligible Mortgage Holder may appear (but cannot vote) at meetings of the Association to draw attention to violations of this Declaration that have not been corrected or that have been made the subject of remedial proceedings or Assessments.

ARTICLE XII
PARTITION

12.1 Suspension or Right of Partition. Except as expressly provided in this Article X, an Owner shall have no right to partition or divide his or her ownership of the Common Area. Partition of the Common Area can be had on a showing that the conditions to such partition as stated in Civil Code § 4610 have been met. Nothing in this Declaration shall prevent partition of a co-tenancy in a Unit.

ARTICLE XIII
GENERAL PROVISIONS

13.1 Rights of First Mortgagees. No breach of any of the covenants, conditions or restrictions contained in this Declaration, nor the enforcement of any provisions hereof, shall render invalid the lien of any first Mortgagee on any Unit made in good faith and for value, but all of such covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure, a trustee's sale or otherwise.

13.2 Notices. Any notice, report or other document that the Association is permitted or required to deliver to Owners under this Declaration shall be sent and deemed received as follows:

(a) By first-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service carrier. The document shall be addressed to the recipient at the address last shown on the books of the Association. If a document is delivered by mail, delivery is deemed to be complete on deposit into the United States mail; or

(b) By electronic mail, facsimile, or other electronic means, if the recipient has consented, in writing, to that method of delivery. The consent may be revoked, in writing, by the recipient. If a document is delivered by electronic means, delivery is complete at the time of transmission.

For purposes of this Declaration, "notice to the Association" shall mean notice to an Owner of each Unit in the Project. Any Member may in writing request that the Association add or remove a second address for delivery of notices to such Member. And following its receipt of such notice from a Member the Association shall thereafter send all future notices required or permitted under this Declaration to such secondary address.

13.3 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration shall run with, and shall benefit and burden the Units and the Common Area as herein provided, and shall inure to the benefit of and be binding upon the Owners and the Association, and their respective successors in interest, for the term of sixty (60) years from the date of the recording of this Declaration, after which time the same shall be automatically extended for successive periods of ten (10) years each unless, within six (6) months prior to the expiration of the initial 60-year term or any such 10-year extension period, a recordable written instrument, approved by all Owners terminating the effectiveness of this Declaration shall be filed for recording in the Office of the County Recorder of Alameda County, California.

13.4 Amendments. After closing of the first sale of a Unit, those provisions of the Declaration may be amended only by the affirmative vote (in person or by proxy) or written consent of Members representing all of the Voting Members; provided, however, that the approval of Eligible Mortgage Holders holding Mortgages on Units which have at least fifty-one percent (51%) of the votes of the Units subject to Eligible Mortgages, shall be required to add or amend any provisions of the Governing Documents which are for the express benefit of holders or insurers of First Mortgages. Notwithstanding anything in this Declaration to the contrary, any amendment to

the Condominium Plan shall satisfy the requirements of California Civil Code § 4295 or any successor statute.

13.5 Construction of Declaration.

13.5.1 Restrictions Construed Together. All of the covenants, conditions, and restrictions of this Declaration shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Property as set forth in the Recitals of this Declaration. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce that provision in a subsequent application or any other provision hereof.

13.5.2 Restrictions Severable. Notwithstanding the provisions of subsection 13.5.1 above, the covenants, conditions, and restrictions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

13.5.3 Singular Includes Plural. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter, as the context requires.

13.5.4 Captions. All captions or titles used in this Declaration are intended solely for convenience of reference and shall not affect the interpretation or application of that which is set forth in any of the terms or provisions of the Declaration.

13.5.5 Exhibits. The exhibit to which reference is made herein is deemed to be incorporated herein by reference, whether or not actually attached.

13.6 Limitation of Restrictions on Declarant. Declarant is undertaking the work of improving the Units and incidental improvements upon the Property. The completion of that work and the sale, rental, and other disposal of the Units are essential to the establishment and welfare of the Property as a condominium project. In order that the work may be completed and the Property be established as a fully occupied condominium project as rapidly as possible, nothing in this Declaration shall be understood or construed to:

13.6.1 Prevent Declarant, its contractors, or subcontractors from doing on the Property or any Unit, whatever is reasonably necessary or advisable in connection with the completion of said work; or

13.6.2 Prevent Declarant or its representatives from erecting, constructing and maintaining on the Property (except upon Units owned by others), such structures as may be reasonable and necessary for the conduct of its business of completing said work and establishing said Property as a residential community and disposing of the same in parcels by sale, lease or otherwise; or

13.6.3 Prevent Declarant from conducting on the Property (except upon Units owned by others) its business of completing said work and of establishing a plan of condominium ownership and of disposing of the Units by sale, lease or otherwise (including use of one (1) or more Units as a sales office); or

13.6.4 Prevent Declarant from maintaining such sign(s) or flag(s) on the Property (except upon Units owned by others) as may be necessary for the sale, lease or disposition thereof. The foregoing rights of Declarant shall terminate upon sale of Declarant's entire interest in the Project, or three (3) years after the date of recordation of the deed of the first Unit to be sold in the Project, whichever occurs first. So long as Declarant, or his successors and assigns, owns one (1) or more of the

Units established and described herein, Declarant, or his successors and assigns, shall be subject to the provisions of this Declaration. Declarant shall make reasonable efforts to avoid disturbing the use and enjoyment of their Units (and the Common Area) by Owners, while completing any work necessary to the Units or Common Area.

13.7 Termination of any Responsibility of Declarant. In the event Declarant shall convey all of his right, title and interest in and to the Property to any person or entity, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such individual or entity shall be obligated to perform all such duties and obligations of the Declarant.

13.8 Fair Housing. No Owner shall, either directly or indirectly, discriminate against or harass any person because of the race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, or genetic information of that person, or to engage in any act prohibited under all applicable laws, including, without limitation, Government Code sections 12955-12956.2.

13.9 Additional Provisions. Notwithstanding the provisions contained in the Governing Documents, the Association and the Owners are aware and understand that there may be, currently and from time to time, provisions of laws, such as under the Act (but expressly excluding those provisions thereof specified in Section 6500 *et seq.* of the Civil Code as being applicable to commercial and industrial common interest developments), and other laws (local, state and federal laws, statutes, ordinances or regulations, including without limitation the federal Fair Housing Act (Title 42, United States Code Sections 3601 *et seq.*) which may supplement or override the Governing Documents. Declarant makes no representations or warranties regarding the future enforceability of any provision in the Governing Documents.

13.10 Counterparts. This Declaration may be signed in one or more counterparts, each of which shall constitute an original and together shall constitute a single document.

[NEXT PAGE IS SIGNATURE PAGE]

IN WITNESS WHEREOF, the undersigned, Declarant herein, have executed this Declaration as of the date first written above and consent to the recordation of the Condominium Plan attached as Exhibit A hereto.

DECLARANT:



KEVIN TSAI



JULIA X SONG

Attachments:

EXHIBIT A - CONDOMINIUM PLAN

EXHIBIT A
CONDOMINIUM PLAN

NOTARY ACKNOWLEDGEMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Alameda)

On 10-26-19 before me, M. Parker, Notary Public
(insert name and title of the officer)

personally appeared Kevin Tsai & Julia Song, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: M. Parker (Seal)



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Alameda)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and

acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

EXHIBIT "A"

NOTES AND DEFINITIONS:

1. THIS PROJECT IS LOCATED IN LOT 1 OF PARCEL MAP NO. 10788 IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA AS PER MAP FILED IN BOOK _____, PAGES _____ OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER. THIS PROJECT IS COMPOSED OF A COMMON AREA AND 3 CONDOMINIUM UNITS.
2. THE CONDOMINIUM DELINEATED HEREIN IS SUBJECT TO THE PROVISIONS OF THE DAVIS-STIRLING COMMON INTEREST DEVELOPMENT ACT, SECTION 4000 THROUGH 6150.
3. THE BOUNDARIES OF UNITS 2836, 2838 AND 2840 ARE DEFINED HORIZONTALLY TO THE EXTERIOR FINISHED SURFACES AND DOORS OF THE PERIMETER WALLS, AND DEFINED VERTICALLY TO THE BASE ELEVATION AND THE UPPER ELEVATION. AS SHOWN HEREON THESE UNITS SHALL INCLUDE THE FOUNDATION AND ROOF INCLUDING ANY ROOF OVERHANGS AND AWNINGS.
4. THIS PLAN AND THE DIMENSIONS SHOWN HEREIN ARE TO COMFORM TO CIVIL CODE 4285, WHICH REQUIRES A THREE DIMENSIONAL DESCRIPTION OF THE PROJECT IN SUFFICIENT DETAIL TO IDENTIFY THE COMMON AREAS AND EACH SEPARATE INTEREST. THE DIMENSIONS SHOWN HEREIN ARE NOT INTENDED TO BE SUFFICIENTLY ACCURATE TO USE FOR THE COMPUTATION OF FLOOR AREA OR AIR SPACE VOLUME IN ANY OR ALL OF THE UNITS.
5. THE DIAGRAMMATIC PLANS INTENTIONALLY OMIT DETAILED INFORMATION OF INTERNAL PARTITIONING WITHIN INDIVIDUAL UNITS. LIKEWISE, SUCH DETAILS AS PROTRUSIONS OF VENTS, BEAMS, COLUMNS, WINDOW CASINGS, AND OTHER SUCH FEATURES ARE NOT INTENDED TO BE REFLECTED ON THIS PLAN.
6. THE COMMON AREA IS ALL OF THE LAND AND REAL PROPERTY INCLUDED WITHIN THE BOUNDARY LINES OF SAID LOT 1, EXCEPT THOSE PORTIONS SHOWN AND DEFINED HEREIN AS CONDOMINIUM UNITS.
7. FOR ALL OTHER DEFINITIONS REFER TO THE "DECLARATIONS OF THE COVENANTS, CONDITIONS AND RESTRICTIONS OF THE 2836-2840 CARMEL STREET CONDOMINIUMS".
8. IF THERE ARE ANY MATTERS OF CONFLICT OR INCONSISTENCIES BETWEEN THIS CONDOMINIUM PLAN AND THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, THEN THE PROVISIONS OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS SHALL PREVAIL.

SURVEYOR'S STATEMENT:

I HEREBY STATE THAT I AM A LICENSED PROFESSIONAL LAND SURVEYOR OF THE STATE OF CALIFORNIA; THAT THIS CONDOMINIUM PLAN, CONSISTING OF THREE (3) SHEETS, CORRECTLY REPRESENTS A TRUE AND COMPLETE SURVEY OF THE PROJECT MADE UNDER MY SUPERVISION IN JULY OF 2018 AND THE PLAN REFERS TO OR SHOWS MONUMENTATION ON THE GROUND AND A THREE DIMENSIONAL DESCRIPTION OF A CONDOMINIUM PROJECT IN SUFFICIENT DETAIL TO IDENTIFY THE COMMON AREA AND EACH SEPARATE INTEREST PURSUANT TO THE REQUIREMENTS OF CALIFORNIA CIVIL CODE, SUBSECTION 4285.

Keith S. Bush
 KEITH S. BUSH, L.S. NO. 8494
 DATE: May 22, 2019

CONDOMINIUM PLANS FOR THE 2836 - 2840 CARMEL STREET CONDOMINIUMS

BEING A PORTION OF LOT 1059, MAP OF
 HOPKINS TOWN 1/4 ACRES (4 M 10)
 CITY OF OAKLAND,
 COUNTY OF ALAMEDA, STATE OF CALIFORNIA
 MAY, 2019



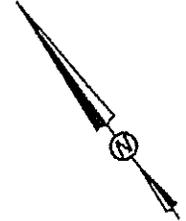
OWNER/SUBDIVIDER:
 KEVIN AND JULIA TSAI
 CHRISTIAN THEDE--
 NORHTBRAE PROPERTIES
 1600 HOPKINS STREET
 BERKELEY, CA 94707

SURVEYOR:
 BAY AREA LAND SURVEYING INC.
 3065 RICHMOND PKWY, SUITE 101
 RICHMOND, CA 94806

SITE PLAN

4 6 6 7
PERALTA HIGHLANDS, (12 M 65)

LEGEND	
	BUILDING FOOTPRINT
	RECORD DATA



GRAPHIC SCALE



(IN FEET)
1 inch = 30 ft.

(FORMERLY PERALTA AVENUE)
COOLIDGE AVENUE (60' WIDE)

HOPKINS TOWN 1/4 ACRES, (4 M 10)

DENNIS/
BARRETT
(96-181678)

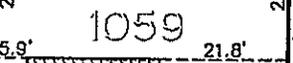
COLEMAN
(95-065065)

S51°25'30"E 49.85'



2838 CARMEL ST.
EXISTING UNIT

TSAI/SONG
(2016-329432)



2840 CARMEL ST.
EXISTING UNIT

1060

1059

1058

MAVRIDIS
(2010-188100)

DUBIEL
(94-015486)

N38°33'00"E 230.55'

S38°33'00"W 226.72'

LOT 1

AREA = 11,398±
SQ. FT.



2836 CARMEL ST.
EXISTING UNIT

DECK

N38°33'00"E 25.3'

S38°33'00"W 35.3'

4.6'

11.2'

11.0'

36.0'

33.1'

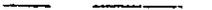
N55°49'40"W 50.00'

181.41'

CARMEL STREET (60' WIDE)

BENCHMARK:

BENCHMARK 14NE8
1/4" NAIL MONUMENT OPPOSITE HOUSE #4032
COOLIDGE AVE. & SHOWN ON THE MAP OF
TRACT 535 AS BEING BETWEEN LOTS 1 & 30.
ELEVATION = 327.76' CITY OF OAKLAND DATUM

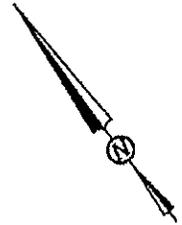
-  ADJACENT PARCEL/ LOT LINE
-  HISTORIC PARCEL/ LOT LINE
-  SUBJECT PROPERTY
-  TIE LINE

UNIT DIAGRAM

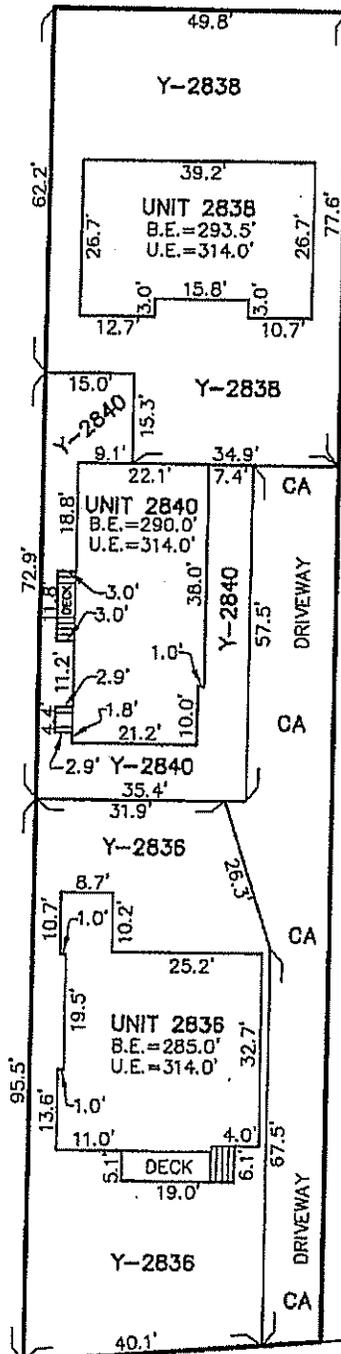
GRAPHIC SCALE



(IN FEET)
1 inch = 30 ft.



(FORMERLY PERALTA AVENUE)
COOLIDGE AVENUE (60' WIDE)



LEGEND	
BUILDING FOOTPRINT OR EXCLUSIVE USE LINE	
()	RECORD DATA
CA	COMMON AREA
B.E.	BOTTOM ELEVATION
F.G.	FINISHED GRADE
U.E.	UPPER ELEVATION
Y-2836	YARD, UNIT 2836
Y-2838	YARD, UNIT 2838
Y-2840	YARD, UNIT 2840

NOTES:

YARD SPACE
(Y-2836)

B.E. = F.G.
U.E. = 314.0'

YARD SPACE
(Y-2838)

B.E. = F.G.
U.E. = 314.0'

YARD SPACE
(Y-2840)

B.E. = F.G.
U.E. = 314.0'

CARMEL STREET
(60' WIDE)

EXHIBIT A

The land referred to is situated in the County of Alameda, City of Oakland, State of California, and is described as follows:

A CONDOMINIUM COMPRISED OF:

PARCEL ONE:

Unit 2836, as shown on that certain Condominium Plan attached as Exhibit "A" to the Declaration of Covenants, Conditions and Restrictions, recorded July 12, 2019, Series No. 2019133213, Official Records.

PARCEL TWO:

An undivided 1/3 interest, as a tenant in common, in and to Lot 1, as shown on Parcel Map 10788, filed July 10, 2019, in Book 342 of Parcel Maps, Pages 91 and 92, Alameda County Records.

EXCEPTING AND RESERVING FROM PARCEL TWO:

- (a) All Units, as shown on the Condominium Plan referred to in Parcel One, above.
- (b) The exclusive right to use all of those areas designated as yard, on the Condominium Plan referred to in Parcel One, above.

PARCEL THREE:

The exclusive right to use those portions of Lot 1 described in Parcel Two, above, designated as Yard "Y-2836" on the Condominium Plan referred to above, as an appurtenance to Parcels One and Two, above.

Portion of APN 029-0982-057-02

I / We have read, understood, approve & acknowledge receipt of this report

_____ SIGNATURE	_____ DATE
_____ SIGNATURE	_____ DATE



OLD REPUBLIC
TITLE COMPANY

900 Colusa Avenue, Suite 206
Berkeley, CA 94707
(510) 527-4700 Fax: (510) 526-6492

PRELIMINARY REPORT

Our Order Number 1112029034-LE

NORTHBRAE PROPERTIES
1600 Hopkins Street
Berkeley, CA 94707

Attention: CHRISTIAN THEDE

When Replying Please Contact:

Lori Endo
LEndo@ortc.com
(510) 527-4700

Property Address:

2836 Carmel Street, Oakland, CA 94602

In response to the above referenced application for a policy of title insurance, OLD REPUBLIC TITLE COMPANY, as issuing Agent of Old Republic National Title Insurance Company, hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Exhibit I attached. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the Homeowner's Policy of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit I. Copies of the Policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit I of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of July 12, 2019, at 7:30 AM

OLD REPUBLIC TITLE COMPANY
For Exceptions Shown or Referred to, See Attached

OLD REPUBLIC TITLE COMPANY
ORDER NO. 1112029034-LE

The form of policy of title insurance contemplated by this report is:

Homeowners Policy of Title Insurance - 2013; AND ALTA Loan Policy - 2006. A specific request should be made if another form or additional coverage is desired.

The estate or interest in the land hereinafter described or referred or covered by this Report is:

Condominium as defined in section 783 of the California Civil Code

Title to said estate or interest at the date hereof is vested in:

Kevin Tsai and Julia X. Song, husband and wife as community property with right of survivorship

The land referred to in this Report is situated in the County of Alameda, City of Oakland, State of California, and is described as follows:

A CONDOMINIUM COMPRISED OF:

PARCEL ONE:

Unit 2836, as shown on that certain Condominium Plan attached as Exhibit "A" to the Declaration of Covenants, Conditions and Restrictions, recorded July 12, 2019, Series No. [2019133213](#), Official Records.

PARCEL TWO:

An undivided 1/3 interest, as a tenant in common, in and to Lot 1, as shown on Parcel Map 10788, filed July 10, 2019, in Book 342 of Parcel Maps, Pages 91 and 92, Alameda County Records.

EXCEPTING AND RESERVING FROM PARCEL TWO:

(a) All Units, as shown on the Condominium Plan referred to in Parcel One, above.

(b) The exclusive right to use all of those areas designated as yard, on the Condominium Plan referred to in Parcel One, above.

PARCEL THREE:

The exclusive right to use those portions of Lot 1 described in Parcel Two, above, designated as Yard "Y-2836" on the Condominium Plan referred to above, as an appurtenance to Parcels One and Two, above.

Portion of APN 029-0982-057-02

OLD REPUBLIC TITLE COMPANY
ORDER NO. 1112029034-LE

At the date hereof exceptions to coverage in addition to the Exceptions and Exclusions in said policy form would be as follows:

1. Taxes and assessments, general and special, for the fiscal year 2019 - 2020, a lien, but not yet due or payable.

Assessor's Parcel No : 029-0982-057-02

Affects this and other property.

2. Taxes and assessments, general and special, for the fiscal year 2018 - 2019, as follows:

Assessor's Parcel No : 029-0982-057-02
Bill No. : 060538-00
Code No. : 017-001
1st Installment : \$7,812.44 Marked Paid
2nd Installment : \$7,812.44 Marked Paid
Land Value : \$298,350.00
Imp. Value : \$696,150.00

Affects this and other property.

3. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

4. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount : \$656,350.00
Trustor/Borrower : Kevin Tsai and Julia X. Song, husband and wife as community property with right of survivorship
Trustee : Chicago Title Company
Beneficiary/Lender : Mortgage Electronic Registration Systems, Inc., solely as nominee for Land Home Financial Services, Inc
Dated : March 11, 2017
Recorded : [March 21, 2017 in Official Records under Recorder's Serial Number 2017066288](#)
Loan No. : 302803
"MIN" : 1001138-0000302803-7

OLD REPUBLIC TITLE COMPANY
ORDER NO. 1112029034-LE

NOTE: This loan appears to be registered with Mortgage Electronics Registration Systems, Inc. ("MERS"). Accordingly, the name, address and telephone number of the loan servicer should be obtained by calling the toll-free number, 1-888-679-MERS, and referring to the Mortgage Identification Number ("MIN") shown above

Affects this and other property.

5. Terms and provisions as contained in an instrument,

Entitled : Parcel Map 10788
Executed By : Kevin Tsai and Julia X. Song
Recorded : [July 10, 2019 in Book 342 of Parcel Maps, Page 91](#)

Which, among other things, provides: Provisions pertaining to City of Oakland Municipal Code; California Administrative Code; and Seismic Hazard Zone

6. Covenants, Conditions, Restrictions, Limitations, Easements, Assessments, Reservations, Exceptions, Terms, Liens or Charges, but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : Declaration of Covenants, Conditions and Restrictions of 2836-2840 Carmel Street
Executed By : Kevin Tsai and Julia X. Song
Recorded : [July 12, 2019 in Official Records under Recorder's Serial Number 2019133213](#)

Said Covenants, Conditions and Restrictions provide that a violation thereof shall not defeat or render invalid the lien of any Mortgage or Deed of Trust made in good faith and for value.

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

7. Liens and charges for upkeep and maintenance as provided in the above mentioned Covenants, Conditions and Restrictions, if any, where no notice thereof appears on record.

Notwithstanding the Mortgagee protection clause contained in the above mentioned covenants, conditions and restrictions, they provide that the liens and charges for upkeep and maintenance are subordinate only to a first mortgage.

For information regarding the current status of said liens and/ or assessments
Contact : 2836-2840 Carmel Street Homeowners Association

8. The requirement that this company be provided with a suitable Owner's Declaration from the Seller (form ORT 174). The Company reserves the right to make additional exceptions and/or requirements upon review of the Owner's Declaration.

----- **Informational Notes** -----

- A. The applicable rate(s) for the policy(s) being offered by this report or commitment appears to be section(s) 1.1 & 2.1.
- B. The above numbered report (including any supplements or amendments thereto) is hereby modified and/or supplemented to reflect the following additional items relating to the issuance of an American Land Title Association loan form policy:

NONE

NOTE: Our investigation has been completed and there is located on said land a residential condominium known as 2836 Carmel Street, Oakland, CA 94602.

The ALTA loan policy, when issued, will contain the CLTA 100 Endorsement and 116 series Endorsement.

Unless shown elsewhere in the body of this report, there appear of record no transfers or agreements to transfer the land described herein within the last three years prior to the date hereof, except as follows:

Grant Deed executed by Janet Chavez, as Successor Trustee of the Labarr Trust under Declaration dated September 8, 1998 to Kevin Tsai and Julia X. Song, husband and wife as community property with right of survivorship recorded [December 16, 2016 in Official Records under Recorder's Serial Number 2016329432](#).

OLD REPUBLIC TITLE COMPANY
ORDER NO. 1112029034-LE

C. NOTE: The following provision should be placed in the first sale out deed of each "unit:"

"This deed is made and accepted upon the Covenants, Conditions and Restrictions and other matters set forth in that certain Declaration of Restrictions recorded Juny 12, 2019 as Instrument No. 2019133213, Official Records of said county, all of which Covenants, Conditions and Restrictions and other matters are incorporated herein by reference to said Declaration of Restrictions with the same force and effect as though fully set forth herein."

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12/02/13)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE
EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.

5. Failure to pay value for Your Title.

6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1.00% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 18:	1.00% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00

**AMERICAN LAND TITLE ASSOCIATION
LOAN POLICY OF TITLE INSURANCE - 2006
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations.This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

EXCEPTIONS FROM COVERAGE – SCHEDULE B, PART 1, SECTION ONE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.



**WHAT DOES OLD REPUBLIC TITLE
DO WITH YOUR PERSONAL INFORMATION?**

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and employment information • Mortgage rates and payments and account balances • Checking account information and wire transfer instructions <p>When you are no longer our customer, we continue to share your information as described in this notice.</p>
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Old Republic Title chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Old Republic Title share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), or respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes — to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For non-affiliates to market to you	No	We don't share

Go to www.oldrepublictitle.com (Contact Us)

Who we are	
Who is providing this notice?	Companies with an Old Republic Title name and other affiliates. Please see below for a list of affiliates.

What we do	
How does Old Republic Title protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. For more information, visit http://www.OldRepublicTitle.com/newnational/Contact/privacy .
How does Old Republic Title collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> • Give us your contact information or show your driver's license • Show your government-issued ID or provide your mortgage information • Make a wire transfer <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes - information about your creditworthiness • Affiliates from using your information to market to you • Sharing for non-affiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See the "Other important information" section below for your rights under state law.</p>

Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Our affiliates include companies with an Old Republic Title name, and financial companies such as Attorneys' Title Fund Services, LLC, Lex Terrae National Title Services, Inc., Mississippi Valley Title Services Company, and The Title Company of North Carolina.
Non-affiliates	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> • Old Republic Title does not share with non-affiliates so they can market to you
Joint marketing	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • Old Republic Title doesn't jointly market.

Other Important Information

Oregon residents only: We are providing you this notice under state law. We may share your personal information (described on page one) obtained from you or others with non-affiliate service providers with whom we contract, such as notaries and delivery services, in order to process your transactions. You may see what personal information we have collected about you in connection with your transaction (other than personal information related to a claim or legal proceeding). To see your information, please click on "Contact Us" at www.oldrepublictitle.com and submit your written request to the Legal Department. You may see and copy the information at our office or ask us to mail you a copy for a reasonable fee. If you think any information is wrong, you may submit a written request online to correct or delete it. We will let you know what actions we take. If you do not agree with our actions, you may send us a statement.

Affiliates Who May be Delivering This Notice

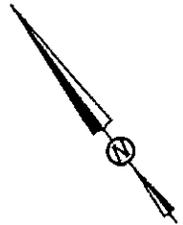
American First Abstract, LLC	American First Title & Trust Company	American Guaranty Title Insurance Company	Attorneys' Title Fund Services, LLC	Compass Abstract, Inc.
eRecording Partners Network, LLC	Genesis Abstract, LLC	Kansas City Management Group, LLC	L.T. Service Corp.	Lenders Inspection Company
Lex Terrae National Title Services, Inc.	Lex Terrae, Ltd.	Mara Escrow Company	Mississippi Valley Title Services Company	National Title Agent's Services Company
Old Republic Branch Information Services, Inc.	Old Republic Diversified Services, Inc.	Old Republic Exchange Company	Old Republic National Title Insurance Company	Old Republic Title and Escrow of Hawaii, Ltd.
Old Republic Title Co.	Old Republic Title Company of Conroe	Old Republic Title Company of Indiana	Old Republic Title Company of Nevada	Old Republic Title Company of Oklahoma
Old Republic Title Company of Oregon	Old Republic Title Company of St. Louis	Old Republic Title Company of Tennessee	Old Republic Title Information Concepts	Old Republic Title Insurance Agency, Inc.
Old Republic Title, Ltd.	Republic Abstract & Settlement, LLC	Sentry Abstract Company	The Title Company of North Carolina	Title Services, LLC
Trident Land Transfer Company, LLC				

UNIT DIAGRAM

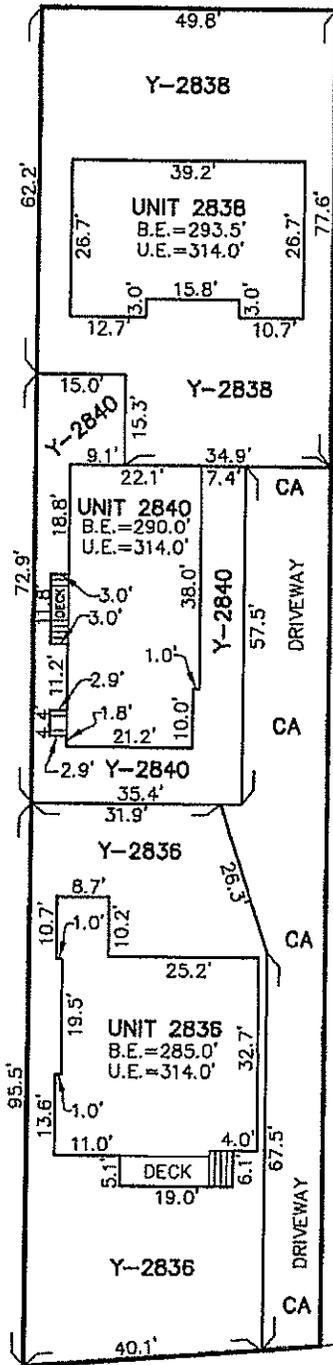
GRAPHIC SCALE



(IN FEET)
1 inch = 30 ft.



(FORMERLY PERALTA AVENUE)
COOLIDGE AVENUE (60' WIDE)



LEGEND	
BUILDING FOOTPRINT OR EXCLUSIVE USE LINE	
()	RECORD DATA
CA	COMMON AREA
B.E.	BOTTOM ELEVATION
F.G.	FINISHED GRADE
U.E.	UPPER ELEVATION
Y-2836	YARD, UNIT 2836
Y-2838	YARD, UNIT 2838
Y-2840	YARD, UNIT 2840

NOTES:

YARD SPACE
(Y-2836)
B.E. = F.G.
U.E. = 314.0'

YARD SPACE
(Y-2838)
B.E. = F.G.
U.E. = 314.0'

YARD SPACE
(Y-2840)
B.E. = F.G.
U.E. = 314.0'

CARMEL STREET
(60' WIDE)