



CALIFORNIA ASSOCIATION OF REALTORS®

STATEWIDE BUYER AND SELLER ADVISORY (This Form Does Not Replace Local Condition Disclosures. Additional Addenda May Be Attached to This Advisory. See Paragraph 45) (C.A.R. Form SBSA, Revised 4/07)

6515 Blake Street El Cerrito,

Property Address: _____ ("Property").

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 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. You have the right to request that the Seller make repairs, corrections or take other actions based on inspections or disclosures. 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. If you cancel outside these periods, you may be in breach of contract. The terms of the purchase 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 for inspections allowed by the contract. This form is not a substitute for completing a Real Estate Transfer Disclosure Statement, if required, and any other property-specific questionnaire or disclosure. The terms of the Purchase Agreement and any Counter Offers and Addenda establish your rights and responsibilities.

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 Broker gives a referral to another professional, Broker does not guarantee that person's performance. You may select any professional of your own choosing. Any written agreement between Broker and Buyer or Seller establishes the rights and responsibilities of those parties.

1. 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 have expertise in these areas. 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.

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SBSA REVISED 4/07 (PAGE 1 OF 10)

Buyer's Initials (DS) () () Seller's Initials (HR) () ()

Reviewed by _____ Date _____



STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 1 OF 10)

Agent: Holly Rose Phone: 510.847.0656 Fax: 510.527.1575 Prepared using zipForm® software Broker: Marvin Gardens Real Estate 1575 Hopkins Street Berkeley, CA 94707

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2. SQUARE FOOTAGE, LOT SIZE AND BOUNDARIES: 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. Brokers have not verified any such representations. Brokers do not have expertise in this area. If Buyer wants information about the exact square footage, lot size or location of Property corners or boundaries, Broker recommends that Buyer hire an appraiser or licensed surveyor to investigate these matters during Buyer's inspection contingency period.

3. SOIL AND GEOLOGIC CONDITIONS: Buyer and Seller are advised that real estate in California is subject to settling, slippage, contraction, expansion, 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 have known or unknown mines, mills, caves or wells. Brokers do not have expertise in this area. 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.

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 Buyer's or Brokers visual inspection. 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 Homeowners 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. Brokers do not have expertise in this area. 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.

5. 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, 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. 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. 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. Brokers do not have expertise in this area. 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."

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 condition 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 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.

Buyer's Initials (DS) (_____)
Seller's Initials (EO) (_____)

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7. 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.

8. SEPTIC SYSTEM(S): 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. Brokers do not have expertise in this area. 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.

9. 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 recommends 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.

10. WOOD DESTROYING PESTS: Buyer and Seller are advised that the presence of, or conditions likely to lead to the presence of, or other 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. Brokers do not have expertise in this area. 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.

11. 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, advertisements, or plotted by a title company are often approximations, or based upon inaccurate or incomplete records. Brokers have not verified any such representations. If Buyer wants further information Buyer is advised and Broker recommends that Buyer hire a licensed surveyor during Buyer's inspection contingency period. Brokers do not have expertise in this area.

Buyer's Initials (DS) (_____)
Seller's Initials (CO) (_____)

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12. 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. Brokers do not have expertise in this area. Buyer is advised that there is a potential for earthquakes and seismic hazards even outside designated zones.

13. 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. 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. Brokers do not have expertise in this area. Buyer is advised that there is a potential for fires even outside designated zones.

14. 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, 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 recommends that Buyer consult his or her lender and/or insurance agent during Buyer's inspection contingency period. Brokers do not have expertise in this area. Buyer is advised that there is a potential for flooding even outside designated zones.

15. 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. 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 of the Property, its development and size. 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.

16. 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. Broker makes no representation regarding the preservation of existing views. If Buyer wants further information, Broker recommends 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.

17. FUTURE REPAIRS, REPLACEMENTS AND REMODELS: Buyer and Seller are advised that replacement or repairs of certain systems or remodels of portions 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 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. In particular, 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. 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.

18. ERRANT GOLF BALLS: Buyer and Seller are advised that if the Property is located adjacent to or near a golf course there is a possibility that golf balls may damage the Property or injure persons or pets on it. Additionally, persons playing golf may enter the Property to retrieve errant golf balls or for other purposes. Broker recommends that Buyer investigate this possibility during Buyer's Inspection contingency period. Brokers do not have expertise in this area.

Buyer's Initials (DS) (_____)
Seller's Initials (CO) (_____)
Reviewed by _____ Date _____



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19. 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 that Buyer is interested in. Broker recommends 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.

20. 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 airplanes and other aircraft, commercial or military or both, flying overhead. Other common sources of noise include traffic on streets and highways, 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.

21. 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 contamination may be dormant for long periods of time and then become active because of heat, humidity or other factors and may not be eliminated by cleaning or replacing carpets or other cleaning. 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 recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

22. SECURITY AND SAFETY: Buyer and Seller are advised that 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. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property may not be in compliance with these requirements. Brokers do not have expertise in this area. If Buyer wants further information, Broker recommends that Buyer contact local government agencies about these restrictions and other requirements.

23. RETROFIT: Buyer and Seller are advised that state and local Law may require the installation of operable smoke detectors, bracing or strapping of water heaters, and completion of a corresponding written statement of compliance that is delivered to Buyer. Some city and county governments may impose additional retrofit standards, including, but not limited to, installing low-flow toilets and showerheads, gas shut-off valves, and tempered glass. Brokers do not have expertise in this area. Broker recommends 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.

24. 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.

25. NEIGHBORHOOD, AREA; PERSONAL FACTORS: 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 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, 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.

Buyer's Initials (DS) (_____)
Seller's Initials (CO) (_____)
Reviewed by _____ Date _____



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26. INSURANCE: 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. Sellers may not be aware of claims prior to their ownership. If Buyer wants further information, Broker recommends 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 Association Insurance. Broker recommends 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 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 recommends 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). Brokers do not have expertise in this area.

27. 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 recommends 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.

28. 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 on Buyer's ability to develop, remove or trim trees or other landscaping, remodel, make improvements to and build on or rebuild the Property. Broker recommends 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.

29. 1915 BOND AND MELLO-ROOS COMMUNITY AND OTHER FACILITIES DISTRICTS: Buyer and Seller are advised that the Property may be subject to an improvement bond assessment under the Improvement Bond Act of 1915 and/or a levy of a special tax pursuant to a Mello-Roos community facilities or other district. 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. Brokers do not have expertise in this area.

30. HOMEOWNER ASSOCIATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS (CC&Rs): 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 of Covenants, Conditions and Restrictions (CC&Rs) 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. 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. 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. See paragraph 26 for further information regarding insurance. Brokers do not have expertise in this area.

31. 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 fees, over and above any stated association fees. Private transfer fees: (A) may last for a fixed period of time or in perpetuity, (B) are typically calculated as a percentage of home's sales price, and (C) may have private parties, charitable organizations or interest-based groups as their recipients. Brokers do not have expertise in this area.

Buyer's Initials (DS) (_____)
Seller's Initials (EO) (_____)
Reviewed by _____ Date _____



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Property Address: El Cerrito, Date: _____

32. 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. 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 below, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> during Buyer's inspection contingency period. The following are examples of recall/defective products/class action information. The information is not exclusive. If Buyer wants further information, Broker recommends that Buyer contact the sources below. Brokers do not have expertise in this area and will not determine if any aspect of the Property is subject to a recall or is affected by a class action lawsuit. (NOTE: While the information below is believed to be current as of the revision date of this form, phone numbers and web addresses may change or be discontinued.)

A. FURNACES: Buyer is advised that the CPSC has issued a warning regarding certain gas-fired horizontal forced-air furnaces that present a substantial risk of fire. The furnaces in question were manufactured from 1983 to 1994 by Consolidated Industries and were marketed under many different brand names. Homes built before 1983 or after 1994 could still have the furnaces in question due to replacements or remodeling. If Buyer wants further information, Broker recommends that Buyer contact CPSC's hotline at (800) 638-2772.

B. WHIRLPOOL MICROWAVE-HOOD COMBINATION: Buyer is advised that Whirlpool Corporation has voluntarily recalled approximately 1.8 million microwave-hood combinations that have been known to overheat and catch fire. The units at issue are installed above ranges and are sold under the Whirlpool, KitchenAid and Kenmore brand names. If Buyer wants further information, Broker recommends that Buyer contact Whirlpool by phone at (800) 785-8897 or at its website, <http://www.repair.whirlpool.com>.

C. ROOF TILES: Buyer is advised that there is a class action lawsuit concerning certain fire free tiles and quantum panels manufactured and installed by RE-Con Building Products, Inc. from December 1993 to November 1997. If Buyer wants further information, Broker recommends that Buyer call (800) 966-3696 or view the website at <http://www.firefreeclaims.com>.

D. FIRE SPRINKLER: Buyer is advised that Central Sprinkler Company is recalling 35 million fire sprinkler heads that may be defective. If Buyer wants further information, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> or Central Sprinkler Company at (866) 505-8553 or <http://www.sprinklerreplacement.com>.

E. WATER HEATER: Buyer is advised that certain water heaters manufactured by a variety of companies between 1993 and 1997 may be defective. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional who can determine if the water heater on the Property is defective.

F. ALUMINUM WIRING: Buyer is advised that some properties in California are wired in whole or in part with aluminum wiring which was approved at the time of construction but subsequently determined to be a potential hazard. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional who can determine if the wiring on the Property is defective.

G. GALVANIZED, ABS, POLYBUTYLENE AND COPPER PIPE: Buyer is advised that galvanized steel water pipes may corrode and leak after several years and that ABS plastic drain waste and vent pipe may be subject to failure. Buyer is also advised that the adhesive used in the installation of polybutylene pipe has been subject to failure. Additionally, copper pipe installed in slabs may develop leaks as result of reaction to certain soils. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional who can determine if the water pipes and drains on the Property are defective.

H. WATER HEATER GAS CONTROL VALVES: Buyer is advised that the CPSC in cooperation with Robertshaw Controls Company has announced a voluntary recall of approximately 178,000 gas control valves installed on water heaters manufactured between July 2005 and August 2005 with production date codes 5-31 through and

including 5-33 under brand names American Proline, Bradford White, GE, GSE, Hotpoint, Jetglas, John Wood, Lochinvar, Premire Plus, Powerflex, Rheem, Richmond, Ruud, Vanguard, Whirlpool and U.S. Craftsman. The CPSC reports that the screws on the valves could break allowing gas to escape from the valves. If Buyer wants further information, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> or contact Robertshaw Controls at (888) 225-1071 or <http://www.robertshaw.com>.

Buyer's Initials (DS) (_____)
Seller's Initials (CO) (_____)
Reviewed by _____ Date _____



6515 Blake Street

Property Address: El Cerrito, Date: _____

I. ARC-FAULT CIRCUIT BREAKER: Buyer is advised that the CPSC in cooperation with Schneider Electric has announced a voluntary recall of approximately 700,000 Square D Q® and Homeline® AFCI circuit breakers manufactured by Schneider Electric North American Operating Division. The recalled arc-fault interrupter circuit breakers are designed for use in 15 and 20-amp branch circuits; have a blue test button and were manufactured between March 2004 and September 2004. Tests show that these circuit breakers may not provide the arc-fault protection required by the 2001 California Electrical Code, Section 210-21. If Buyer wants further information, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> or contact Schneider Electric at (877) 202-9064 or <http://www.us.squared.com/recallafci>.

33. RENTAL PROPERTY RESTRICTIONS: Buyer and Seller are advised that some cities and counties impose restrictions that limit the rent that can be charged to a tenant, the maximum number of tenants who can occupy the property and the right of a landlord to terminate a tenancy and the costs to do so. If Buyer wants further information, Broker recommends that Buyer investigate the issue with an appropriate government authority during Buyer's inspection contingency period. Brokers do not have expertise in this area.

34. 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 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. 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.

35. 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. Broker recommends that Buyer review the policy for details. Brokers do not have expertise in this area.

36. INTERNET ADVERTISING: Buyer and Seller are advised that Broker may employ a service to provide a "virtual tour" or Internet marketing of the Property, permitting potential buyers to view the Property over the Internet. Neither the service provider nor Broker has control over who will obtain access to the service or what action such persons might take. Buyer and Seller are advised that Brokers have no control over how long the information concerning the Property will be available on the Internet. Brokers do not have expertise in this area.

37. 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 definitions of "good funds." Broker recommends that Buyer and Seller ask the escrow company regarding its treatment of "good funds." All drafts and out-of-state checks are subject to waiting periods and do not constitute "good funds" until the money is physically transferred to the escrow holder's account. Brokers do not have expertise in this area.

38. NOTICE OF YOUR "SUPPLEMENTAL" PROPERTY TAX BILL: 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 of Your 'Supplemental' Property Tax Bill" 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. 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. 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. If Buyer wants further information concerning these matters, Broker recommends that Buyer discuss the issue with the County Assessor or Tax Collector. Brokers do not have expertise in this area.

Buyer's Initials (DS) (_____)
Seller's Initials (CO) (_____)

Reviewed by _____ Date _____



6515 Blake Street

Property Address: El Cerrito, Date: _____

39. 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. 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.

40. FIRPTA/CALIFORNIA WITHHOLDING: Buyer and Seller are advised that: (i) Internal Revenue Code section 1445 requires a Buyer to withhold and remit to the Internal Revenue Service 10% of the purchase price if Seller is a non-resident alien, unless an exemption applies. 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 include Seller's tax identification number. Buyer can also avoid the federal withholding requirement 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 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 exemption applies. Exemptions from withholding also apply to legal entities such as corporations, LLCs, and partnerships. Brokers cannot give tax advice. Broker recommends that Buyer and Seller seek advice from a CPA, attorney or taxing authority. Brokers do not have expertise in this area.

41. 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 the Buyer breaches the agreement, and generally must be separately initialed by both parties 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. However, if the Property contains from 1 to 4 units, one of which the 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 the Buyer's deposit to the 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.

42. MEDIATION: Buyer and Seller are advised that mediation is a process in 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 first attempting to mediate the dispute, that party risks losing the right to recover attorney fees even if he or she prevails.

43. ARBITRATION: Buyer and Seller are advised that arbitration is a process by which the disputing parties hire a neutral person to render a 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 on the public record. By agreeing to arbitration the parties give up the right to a jury trial and to appeal. 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 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.

44. MEGAN'S LAW DATABASE DISCLOSURE: 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. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)

Buyer's Initials (DS) (_____)
Seller's Initials (CO) (_____)

Reviewed by _____ Date _____



6515 Blake Street

Property Address: El Cerrito, Date: _____

45. LOCAL ADDENDA (IF CHECKED):

The following local disclosures or addenda are attached:

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

Buyer and Seller acknowledge and agree that Broker: **(i)** does not decide what price Buyer should pay or Seller should accept; **(ii)** does not guarantee the condition of the Property; **(iii)** does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; **(iv)** does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; **(v)** shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; **(vi)** shall not be responsible for inspecting public records or permits concerning the title or use of Property; **(vii)** shall not be responsible for identifying the location of boundary lines or other items affecting title; **(viii)** shall not be responsible for verifying square footage, representations of others or information contained in investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; **(ix)** shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and **(x)** shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.

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

Date _____ Date _____

BUYER _____ BUYER _____

(Print name) (Print name)

(Address)

Date 10/8/2010 Date _____

SELLER B0917EE6961E45A...
Chris Oliver SELLER _____

DocuSigned By: Chris Oliver
Christian Oliver _____
(Print name) (Print name)

(Address)

Real Estate Broker (Selling Firm) _____ DRE Lic. # _____

By _____ DRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Listing Firm) Marvin Gardens Real Estate DRE Lic. # 01225164

By Holly Rose DRE Lic. # 01010254 Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

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Reviewed by _____ Date _____





CALIFORNIA ASSOCIATION OF REALTORS®

WATER HEATER AND SMOKE DETECTOR STATEMENT OF COMPLIANCE (C.A.R. Form WHSD, Revised 11/09)

Property Address: 6515 Blake Street, El Cerrito

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(s) braced, anchored or strapped in place, in accordance with those requirements.

Seller Signature: Chris Oliver, Date: 10/8/2010, Print Name: Christian Oliver

Seller Signature: (Signature), Date: (Date), Print Name: (Print Name)

The undersigned hereby acknowledges receipt of a copy of this document.

Buyer Signature: (Signature), Date: (Date), Print Name: (Print Name)

Buyer Signature: (Signature), Date: (Date), Print Name: (Print Name)

SMOKE DETECTOR STATEMENT OF COMPLIANCE

- 1. STATE LAW: California Law requires that 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 (installment sales contract), to deliver to the transferee a written statement indicating that the transferor is in compliance with California State Law concerning smoke detectors.
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 Health and Safety Code §13113.8 by having operable smoke detector(s) approved and listed by the State Fire Marshal installed in accordance with the State Fire Marshal's regulations and in accordance with applicable local ordinance(s).

Seller Signature: Chris Oliver, Date: 10/8/2010, Print Name: Christian Oliver

Seller Signature: (Signature), Date: (Date), Print Name: (Print Name)

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

Buyer Signature: (Signature), Date: (Date), Print Name: (Print Name)

Buyer Signature: (Signature), Date: (Date), Print Name: (Print Name)

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Reviewed by _____ Date _____



WHSD REVISED 11/09 (PAGE 1 OF 1)

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

Agent: Holly Rose Phone: 510.847.0656 Fax: 510.527.1575 Prepared using zipForm® software
Broker: Marvin Gardens Real Estate 1575 Hopkins Street Berkeley, CA 94707

EAST BAY PURCHASE AGREEMENT ADDENDUM

** A Service of the Berkeley Association of REALTORS
(This form is intended for use with the California Association of REALTORS®
form SBSA, "Statewide Buyer and Seller Advisory")*

This Addendum is intended for use in the following cities and surrounding unincorporated areas: Oakland, Berkeley, Piedmont, Albany, Hercules, Kensington, Richmond, Emeryville, Alameda, San Pablo, El Cerrito and El Sobrante. Please also review the separate Contra Costa County or city specific Ordinances and Regulations for property in the area you are either selling or buying.

This is an Addendum to that purchase agreement dated _____, _____ by and between _____ (Seller) and _____ (Buyer) for that property commonly known as _____, _____, CA. Except as specified herein, all other terms and conditions remain unchanged.

CITY OF ALAMEDA

SANITARY SEWER LATERAL COMPLIANCE: Alameda requires sewer lateral inspections and repairs if damaged. (Check A or B)

A. Compliance: If checked, Seller warrants that a Sewer Lateral Inspection has been performed and that the Sanitary Sewer Lateral is in Compliance with the City of Alameda Municipal Code. Seller will provide Buyer with proof of compliance prior to close of escrow.

B. Responsibility for Repairs: If checked, the subject property is not yet in compliance with the City of Alameda Municipal Code. Repairs shall be paid by:

- Seller
- Buyer
- _____

GAS SHUTOFF VALVE COMPLIANCE:

Compliance: A shutoff valve has been installed at the Gas Meter, and Shutoff valves have also be installed before each gas fired appliance at the subject property. All work has been performed with a Plumbing Permit and Seller warrants the subject property is in compliance.

Responsibility for Repairs: The subject property is not yet in compliance. Repairs shall be completed prior to the close of escrow and paid by:

- Seller
- Buyer

Buyer's Initials () ()

Seller's Initials (DS
00) ()

Revised 8/2010

EAST BAY PURCHASE AGREEMENT ADDENDUM

CITY OF ALBANY

1. SMOKE DETECTOR ORDINANCE: Buyer and Seller are aware that according to City of Albany, the property owner shall upgrade the smoke alarm/smoke detector system to photoelectric-only devices. Repairs shall be the responsibility of:

- Seller warrants property is already in compliance
- Property is exempt

2. SANITARY SEWER LATERAL COMPLIANCE: Albany requires sewer lateral inspections and repairs if damaged. (Check A or B)

A. Compliance: If checked, Seller warrants that the Sanitary Sewer Lateral is in Compliance with the City of Albany Municipal Code.

B. Responsibility for Repairs: If checked, the subject property is not yet in compliance with the City of Albany Municipal Code. Repairs shall be paid by:

- Seller
- Buyer
- _____

CITY OF BERKELEY

1. SEISMIC TRANSFER TAX CREDIT: The City Of Berkeley has imposed a property transfer tax equal to 1.5% of the sales price. Up to one third of the tax (1/2% of sales price) may be rebated to pay for seismic strengthening of the structure. If the Seller wants to claim the Transfer Tax Credit, a Declaration of Real Property Transfer Tax form must be approved by the City prior to close of escrow. If the Buyer wants to claim a Transfer Tax Rebate, Seismic work must be completed with permits and a Seismic Retrofit Verification form filed within 1 year of the close of escrow. Unless the property conforms to Plan Set "A", additional engineering may be required prior to issuance of a building permit by the City of Berkeley. The additional costs and fees for such engineering design may NOT be paid from the Transfer Tax Credit. If currently allowed, any available Seismic Transfer Tax Credit/Rebate will be claimed by (CHECK ONE)

- Seller
- Buyer

Refer to Ordinance #6072-NS. The application form is available at City of Berkeley Building Permits 510-981-7500.

2. RESIDENTIAL ENERGY CONSERVATION ORDINANCE (RECO): Any required retrofitting and documentation to comply with the current ordinance shall be the responsibility of the (CHECK ONE)

- Form A – Seller shall bring property into current compliance prior to close of escrow.
- Form B – Form A has been filed with the City of Berkeley and Seller has no knowledge of alterations which would bring the property out of current compliance. Buyer should independently verify that property is currently in compliance.
- Form C - Property may not be in compliance. Buyer assumes responsibility for bringing property into compliance after close of escrow.

Buyer's Initials () ()

Seller's Initials (DS
00) ()

Revised 8/2010

EAST BAY PURCHASE AGREEMENT ADDENDUM

Refer to Ordinance #6099-NS. **Note:** Responsibility for compliance may not be transferred to a subsequent buyer if the seller accepted responsibility at the time of their purchase. If **Form C** is signed, the home must be brought into compliance within one year of sale. Maximum cost to bring into compliance is 0.75% of sales price. For more information call the City of Berkeley Energy Office at 510-981-5435 or Community Energy Services Corporation (CESC) at 510-644-8546.

4. SEWER LATERAL COMPLIANCE:

Compliance: If checked, Seller warrants that the Sanitary Sewer Lateral is in Compliance with the City of Berkeley Municipal Code Chapter 17.24. Seller will provide Buyer with a Private Sewer Lateral Certificate prior to Close of Escrow.

Responsibility for Repairs: If checked, the subject property is not yet in compliance with the City of Berkeley Municipal Code Chapter 17.24.

- Repairs shall be paid for prior to close of escrow by Buyer
- Repairs shall be paid for prior to close of escrow by Seller
- Buyer assumes responsibility for repairs after close of escrow

Responsibility for Mandatory Deposit: If checked, the subject property is not yet in compliance with the City of Berkeley Municipal Code Chapter 17.24. Buyer and Seller shall give mutual instruction to the Title Company handling escrow that the Mandatory \$4500 deposit for Sewer Lateral Compliance shall be paid by:

- Seller
- Buyer

Return of Mandatory Deposit: If checked, after all Sewer Lateral repairs and/or replacement is complete, and a Sewer Lateral Certificate is issued, all funds held by the City of Berkeley shall be returned to:

- Seller
- Buyer

Buyer and Seller acknowledge that if all sewer lateral repairs are not completed within 6 months of the date of close of escrow, the \$4500 Mandatory Deposit shall be forfeited to the City of Berkeley. Furthermore, the City of Berkeley will have the right to have all work performed by a contractor selected by the City of Berkeley. The cost of all repairs shall be the responsibility of the Buyer and the City of Berkeley may or may not credit any of the deposit funds to the cost of repair.

CITY OF HERCULES

SANITARY SEWER LATERAL COMPLIANCE: Hercules requires sewer lateral inspections and repairs if damaged. (Check A or B)

A. Compliance: If checked, Seller warrants that a Sewer Lateral Inspection has been performed and that the Sanitary Sewer Lateral is in Compliance with the City of Hercules Municipal Code. Seller will provide Buyer with proof of compliance prior to close of escrow.

B. Responsibility for Repairs: If checked, the subject property is not yet in compliance with the City of Hercules Municipal Code. Repairs shall be paid by:

- Seller
- Buyer
- _____

Buyer's Initials () ()

Seller's Initials (DS
00) ()

Revised 8/2010

EAST BAY PURCHASE AGREEMENT ADDENDUM

CITIES OF KENSINGTON, EL CERRITO, RICHMOND ANNEX (Stege Sanitary District)

SANITARY SEWER LATERAL COMPLIANCE:

Compliance: If checked, Seller warrants that a Sewer Lateral Inspection has been performed and that the Sanitary Sewer Lateral is in Compliance with Stege Sanitary District guidelines. Seller will provide Buyer with proof of compliance prior to Close of Escrow.

Responsibility for Repairs: If checked, the subject property is not yet in compliance. Repairs shall be paid for by:

- Seller
- Buyer

CITIES OF KENSINGTON, RICHMOND VIEW AND UNINCORPORATED AREAS OF CONTRA COSTA COUNTY

GAS SHUTOFF VALVE COMPLIANCE:

Compliance: A shutoff valve has been installed at the Gas Meter, and Shutoff valves have also be installed before each gas fired appliance at the subject property. All work has been performed with a Plumbing Permit and Seller warrants the subject property is in compliance.

Responsibility for Repairs: The subject property is not yet in compliance. Repairs shall be completed prior to the close of escrow and paid by:

- Seller
- Buyer

Further information may be obtained from the Contra Costa County Building Inspection Department at 925-646-4108.

CITY OF PIEDMONT

1. SIDEWALK REPAIR ORDINANCE: Buyer and Seller are aware that according to City of Piedmont Code §18.26, the following conditions apply to the requirements of construction and/or repair of sidewalks and driveways within the City of Piedmont: a) When the real property is developed for any use; b) In conjunction with the issuance of any permit or aggregate of permits, within the year preceding the date of application, in the amount of \$5,000.00 or more on the real property; c) In conjunction with the sale of the real property. Repairs shall be the responsibility of:

- Seller
- Buyer
- Seller warrants property is already in compliance

Buyer's Initials () ()

Seller's Initials (^{DS} 00) ()

Revised 8/2010

EAST BAY PURCHASE AGREEMENT ADDENDUM

2. BUILDING PERMIT STATUS:

Buyer and Seller are aware that all Municipalities have the right to withhold the issuance of any additional building permits on a property until all previous permits have received a final inspection sign-off. Currently, the City of Piedmont is the only Municipality that is strictly enforcing this regulation.

- Buyer has received a copy of the Piedmont Permit History Search ordered by Seller.
- Compliance:** If checked, Seller warrants that all previous building permits issued for the subject property have received final inspections.
- Responsibility for Compliance:** If checked, the subject property is not yet in compliance with the City of Piedmont Municipal Code.
 - Seller** shall Final, prior to Close of Escrow, all previously issued Building Permits that are required to be finalized by the City of Piedmont.
 - Buyer** accepts all responsibility for Permit Compliance.

CITY OF RICHMOND SANITARY DISTRICT

SANITARY SEWER LATERAL COMPLIANCE:

Compliance: If checked, Seller warrants that a Sewer Lateral Inspection has been performed and that the Sanitary Sewer Lateral is in Compliance with The City of Richmond’s guidelines. Seller will provide Buyer with proof of compliance prior to close of escrow. Repairs shall be paid by:

- Seller
- Buyer

CITY OF SAN PABLO

RESIDENTIAL HEALTH AND SAFETY INSPECTION:

Compliance: San Pablo requires that upon resale, all single and multiple-family dwellings are to be inspected by the San Pablo Building Inspection Division prior to close of escrow. See www.ci.san-ablo.ca.us/main/neighborhoodservices.htm#Section5 or call 510-215-3061 for more information.

WEST COUNTY WASTEWATER DISTRICT

SANITARY SEWER LATERAL COMPLIANCE:

Compliance: If checked, Seller warrants that a Sewer Lateral Inspection has been performed and that the Sanitary Sewer Lateral is in Compliance West County Wastewater District guidelines. Seller will provide Buyer with proof of compliance prior to Close of Escrow.

Responsibility for Repairs: If checked, the subject property is not yet in compliance. Repairs shall be paid by:

- Seller
- Buyer

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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 Alameda: <http://www.ci.alameda.ca.us/>
2263 Santa Clara Ave, Room 380 Alameda, CA 94501 Tel: 510/747-4800
Police <http://www.ci.alameda.ca.us/police/> Tel: 510/337-8340

City of Albany: <http://www.albanyca.org/>
1000 San Pablo Ave, Albany CA 94706 Tel: 510/528-5710
Police <http://www.albanyca.org/dept/police.html> Tel: 510/525-7300

City of Berkeley: <http://www.ci.berkeley.ca.us/>
2120 Milvia Street, Berkeley CA 94704 Tel: 510/981-7440
Berkeley Rent Control: <http://www.ci.berkeley.ca.us/rent/>
2125 Milvia Street, Berkeley, CA 94704 Tel: 510/644-6128
Police <http://www.ci.berkeley.ca.us/police/> Tel: 510/981-5900

City of El Cerrito: <http://www.el-cerrito.org/home/>
10890 San Pablo Avenue, El Cerrito CA 94530 Tel: 510/215-4300
Police <http://www.el-cerrito.org/police/> Tel: 510/215-4400

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/police/> Tel: 510/596-3700

City of Hercules: <http://www.ci.hercules.ca.us>
111 Civic Drive, Hercules, CA 94547 Tel: 510/799-8200

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

City of Piedmont: <http://www.ci.piedmont.ca.us/>
120 Vista Avenue, Piedmont, CA Tel: 510/420-3040
Police <http://www.ci.piedmont.ca.us/> Tel: 510/420-3000

City of Richmond: <http://www.ci.richmond.ca.us/>
1401 Marina Way So. , Richmond CA 94804 Tel: 510/620-6513
Police <http://www.rpdonline.net/main/home.htm> 510/233-1214

City of San Leandro: www.ci.san-leandro.ca.us
835 E. 14th St, San Leandro Ca 94577 Tel: 510/577-3420

Stege Sanitary District: <http://www.stegesd.dst.ca.us/>
7500 Schmidt Lane, El Cerrito CA 94530 Tel: 510/524-4668

West County Waste water District: <http://www.wc wd.org>
2910 Hilltop Dr, Richmond, Ca 94806 Tel: 510/222-6700

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.

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THE UNDERSIGNED ACKNOWLEDGE RECEIPT OF THIS ____ SEVEN (7) PAGE DOCUMENT.

This document may be signed in counterparts.

Buyer

Dated: _____, 2____

Buyer

Dated: _____, 2____

B0917EE6961E45A...
Chris Oliver

Signed By: Chris Oliver
Seller

Dated: 10/8/2010, 2____

Seller

Dated: _____, 2____

Buyer's Initials () ()

Seller's Initials () ()

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EAST BAY DISCLOSURES AND DISCLAIMERS ADVISORY*

** A Service of the Berkeley and Oakland Associations of REALTORS
(This form is intended for use with the California Association of REALTORS®
form SBSA, "Statewide Buyer and Seller Advisory")*

This Advisory is intended for use in the following cities and surrounding unincorporated areas: Oakland, Berkeley, Piedmont, Albany, Hercules, Kensington, Richmond, Emeryville, Alameda, San Pablo, El Cerrito and El Sobrante. Please also review the separate Contra Costa County or city specific Ordinances and Regulations for property in the area you are either selling or buying.

This Advisory consists of several disclosures and disclaimers regarding the purchase of real property located in the above portions of the East Bay. It is not intended to be a comprehensive guide to buying real estate nor is it designed to alarm you. It does not limit any legal duty of real estate brokers; however it does point out some limitations on real estate brokers' ability to provide assistance to you. This Advisory is intended to educate and inform you that in purchasing something as important and valuable as real estate, you have a legal responsibility to protect yourself 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 you have questions, doubts or concerns conduct your own investigation. For more information about Alameda County, buyers can go on line at <http://www.acgov.org>. For more information about Contra Costa County, buyers can go on line at <http://www.co.contra-costa.ca.us/>.

This Advisory is not meant to be a complete source of information on all matters which can become issues in real property purchase and sale contracts. **Given Buyer's legal duty to exercise reasonable care to protect himself or herself regarding facts that are known to or within the diligent attention or observation of a buyer, Buyer is urged to investigate, without limitation, the items in the following paragraphs of this Advisory as well as the condition of the foundation, roof, plumbing, heating, air conditioning, electrical, mechanical, energy efficiency, security, appliances/personal property, pool/spa, and all other systems and components.** The Berkeley and Oakland Associations of REALTORS® 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

1. GENERAL CONDITIONS

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

Real estate brokers traditionally recommend that Buyers protect themselves by conditioning their purchase of the Property 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 the Seller. If, after making an offer without a property condition contingency, a Buyer becomes aware of an aspect of the condition of the Property that affects its value or

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desirability, the Buyer 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, the Buyer 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 Buyer may have to pay to correct those problems.

Waiving the right to have a contingency regarding the property condition does not waive the Buyer's right to inspect the Property, even if the Property is being sold "AS IS". Regardless of whether there is a property condition 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 (A) the Buyer is creditworthy and can afford to make the mortgage payments and (B) that the Property appraises for at least the principal amount of the loan. Even if a Buyer has obtained a prequalification 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 Buyer's financial/employment situation has changed. If there is no financing contingency and the Property does not "appraise", the Buyer 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, the Buyer may not be able to perform on Buyer's contractual obligations. This could then result in the Buyer paying damages to the Seller. It is a serious risk for a Buyer to eliminate from the purchase contract their right to have a financing contingency if they intend to secure a loan.

2. SHORT SALES:

Sellers facing mortgage difficulties have several options including a loan modification, short sale, foreclosure, deed in lieu of foreclosure and bankruptcy; each seller's situation is different. The Seller's decision as to which of these options are chosen may affect the Seller's taxes, credit rating, and/or future options. Brokers and their agents cannot, and will not, provide tax, credit and/or legal advice regarding these possible options, or how any of these issues may affect any sale of the Property. Because of these important issues, prior to proceeding with a short sale, Sellers are strongly urged to consult with a Certified Public Accountant, credit consultant, and/or an attorney specializing in real property, taxation and bankruptcy issues. To the extent that Seller fails to obtain this necessary advice, Seller is acting against the advice and recommendation of Broker.

Seller and Buyer are advised that the sale of the Property will result in a "short sale" if there is insufficient equity in the Property to pay off all of the liens, including deeds of trust, judgments, unpaid taxes and any other debts that have been recorded against the Property and/or the closing costs, including real estate commissions. Therefore the Seller's lender(s) must agree to take less money than they are legally entitled to receive so as to enable the Seller to sell the Property to the Buyer for the terms agreed to in the purchase agreement.

Seller and Buyer acknowledge that as part of the short sale approval process the lender(s) will issue a letter or other document detailing the terms and conditions upon which the lender(s) will agree to a short sale ("Term Sheet"). The Term Sheet must be adhered to by all parties. A Seller is only entitled to the lender-approved short sale if ALL of the terms and conditions required by the lender(s) are fully met. There is potential liability for any party who tries to circumvent or "work around" those terms and conditions either through escrow or outside of escrow. All payments to be made by any party to anyone as part of the Buyer's acquisition of the Property must be fully disclosed to all lenders and approved by all lenders.

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There may be significant legal and/or tax ramifications to the Seller as the result of a short sale. For example, the Term Sheet may: (A) Require that the Seller sign a new note, and possibly even record a Deed of Trust against other property owned by Seller; (B) State that the Seller remains liable for any amount forgiven by the lender(s) as a result of the short sale; (C) State that the lender(s) reserve their right to hold the Seller liable for that amount in the future; or (D) Be silent as to future seller liability for that amount. As such, Seller should not even consider approving the lender's Term Sheet and/or proceeding with a short sale without first reviewing their legal and financial status with appropriate professionals, including but not limited to attorneys who specialize in bankruptcy issues and financial advisors who understand the tax implications of reducing the Seller's debt as part of a short sale.

In a short sale, Seller's lender(s) are not obligated to approve the short sale and they are not obligated to provide any type of response regarding the short sale during any set period of time.

If the Seller has ceased making mortgage payments, the lender(s) may file a Notice of Default and proceed with a foreclosure action notwithstanding the fact that there are ongoing short sale negotiations. Negotiating a short sale does not stop the foreclosure process. Seller and Buyer understand and acknowledge that the Broker and agent cannot and do not guarantee that a short sale can be obtained from the lender(s) and/or that the foreclosure process can or will be stopped. If a Notice of Default has been filed, Seller should immediately consult with a real estate and/or bankruptcy attorney.

Seller and Buyer acknowledge that: (a) they have been advised that the sale may not close unless all of the lienholders agree to take the amount that is offered to them (as specified by the Term Sheet) which may be considerably less than the amount that is owed to them; (b) escrow could be delayed for a substantial period of time as a result of resolving the various issues involved in a short sale; (c) Agent cannot and does not guarantee that escrow will actually close or when it will close; (d) they have a duty to exercise reasonable care to protect their own interests by conducting their own investigation and verification of all information that has been or will be provided to them regarding the short sale process and/or the Property; (e) Agent cannot and will not provide any tax or legal advice regarding the legal or practical effect of a short sale transaction or a possible foreclosure; and (f) it is their responsibility to consult with their own legal and tax professionals regarding the effects of the short sale.

3. BANK-OWNED ("REO") PROPERTIES:

"REO" stands for "real estate owned" which is how banks and other lenders categorize real property that they have taken back on either a foreclosure or a "deed in lieu" of foreclosure. When a bank is the seller, there are substantial differences in the way the transaction proceeds, as compared to how it typically works when the seller is a person. These differences include, but are not limited to, the following:

Depending on whether the REO seller acquired the property through foreclosure, the seller may not be required to give the buyer a Transfer Disclosure Statement ("TDS") describing the condition and features of the property, or to complete other important disclosure forms regarding natural hazards, taxes, bonds and assessments affecting the property, earthquake safety information, and information about nearby industrial and military weapons sites.

REO properties may also be "distressed" as a result of neglect and/or vandalism. But, the lender/seller may have little or no knowledge of the property. While lender/sellers who have acquired property by foreclosure do not have to complete a TDS, they are still

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required to disclose any conditions or defects affecting the value or desirability of the property (just not on a TDS), including repairs completed by the lender/sellers or their agents, and make other required disclosures. However, those disclosures may be of little value in light of a lender/seller's limited knowledge of the property.

Buyer is advised to fully investigate the condition of the property including obtaining any and all necessary inspections by appropriate experts. Brokers and agents advise against closing escrow without obtaining and understanding all legally-mandated disclosures from Seller, and securing all necessary inspections and investigations as recommended.

The lender/seller may give you a verbal "acceptance" of your offer. Such acceptances are generally not binding, in the absence of other writings sufficient to constitute an agreement to sell. If you are in doubt as to whether you have a binding agreement, you should consult your own real estate attorney.

REO lender/sellers usually will attach a lengthy Addendum to the standard form purchase agreement, or may even require the use of their own contract form. These addenda and contracts have been drafted by the attorneys for the lender/seller and generally are drafted to favor the lender/seller. It is strongly recommended by your agent that you review this Addendum or contract with an attorney, because real estate licensees are not qualified or competent to give you advice on legal documents drafted by attorneys for other parties.

If you receive such a lender/seller Addendum or contract, read it thoroughly for understanding since it will affect your contractual rights. Some clauses may limit to take away your legal rights in certain circumstances, or limit your recovery against the lender/seller. Some clauses may impose per diem charges for delays in closing. Other clauses may require you to hold the lender/seller harmless and release the lender/seller from certain potential liabilities. Again, your agent strongly recommends that you get any questions you may have answered by your attorney.

B. PROPERTY ADVISORIES

4. OLDER HOUSING STOCK:

Many homes and rental properties in this area are older, built under different building codes than exist today. If this is not a new property, the components, appliances, fixtures, systems and materials may have varying remaining useful lives and, like all aging components and materials, are 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, or setback requirements. If the property is damaged or destroyed, or is being remodeled, the subsequent repairs and remodeling may be required to conform to current codes. Buyers are strongly advised to have the property inspected by a competent home inspector, and to have such other additional inspections as are recommended by such an inspection report, or as may be necessary or desired by buyers to satisfy themselves as to the condition of the property. All homes include many components which require ongoing maintenance. Deferred maintenance will decrease the lifespan and/or functionality of many of these components. Buyers unfamiliar with the needs of older homes are advised to seek reliable advice and to plan/budget for maintenance and future repairs.

5. 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 flooring, such as carpeting and rugs, as well as certain types of wall coverings, such as wallpaper and paneling, as well as furniture prevent inspectors and brokers from inspecting the condition of the floors and walls

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beneath those materials. When exposed, these areas may have a different pattern of wear or shade of color. If the Buyer desires to determine the condition of the floors and walls beneath such coverings, Buyer will need to secure the written authorization of Seller to conduct investigations with appropriate professionals since removal of floor coverings may be required.

6. TEMPERED GLASS:

Many homes contain glass that IS NOT tempered in locations where tempered glass IS required by building regulations. Buyer is advised to have a contractor's inspection to identify the presence of any glass that is not properly tempered before removing a physical inspection contingency on a prospective purchase of real property. Buyer should consider replacing any non-tempered glass with tempered glass to reduce the risk of injury.

7. TREES AND VEGETATION:

Protected Trees: Most cities have an ordinance that requires property owners obtain a permit prior to removing *Protected Trees* from their property. *Protected Trees* are defined within the code of each city. Removing or damaging any *Protected Tree* without the proper permit constitutes an infraction. In addition to the cost of the infraction, violators are liable for damages for an amount up to the value of the removed tree. The City may place a lien on the property if the infraction is not paid on a timely basis. That lien may subsequently be added to the county property tax bill.

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 stringent time frames for responding to hazardous tree claims. If hazardous tree claims are not resolved privately, a claimant may, as a last resort, take the claim through the court system.

View Ordinance: Some cities have a view ordinance that provides that no person shall allow a tree to 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 it encourages 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.

Buyer is encouraged to seek the advice of a licensed arborist for any questions regarding trees on subject property or on neighbor's property.

8. CREEK PROTECTION ORDINANCE

Many properties are impacted by creeks (a narrow channel or small stream) and/or a culvert (a manmade 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, Buyer 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 and counties have enacted regulations regarding creeks and culverts, such as Berkeley and Oakland. Buyers need to review local ordinances with their own experts before commencing any work in, over or near a creek or culvert.

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9. **HVAC/DUCTING:**

The California Energy Commission has issued New Duct Sealing Requirements that became effective on October 1, 2005. Depending upon certain conditions and the location of the Property, 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 and western Contra Costa Counties 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:** http://www.energy.ca.gov/maps/climate_zone_map.html

10. **FIREPLACES/WOODSTOVES:**

Due to public health concerns regarding particulate matter from wood smoke that may be affecting air quality in this area, if the property has a wood-burning appliance ("wood-burning appliance" includes but is not limited to a fireplace insert, a free standing wood stove, or a wood heater or masonry fireplace, but does not include appliances or fireplaces that burn solely propane or natural gas or pellets as fuel), Buyer is advised that certain cities and towns within Alameda and Contra Costa Counties have enacted or are considering ordinances that may affect existing and future wood-burning appliances at the property, and Buyer should contact all relevant public agencies regarding the applicability of these ordinances to Buyer's purchase of the property.

11. **SEPTIC SYSTEM/WASTEWATER TREATMENT SYSTEM REGULATIONS:**

If the Property has a septic system, it is essential that the Buyer secure a current, written report detailing the inspection of the tank and the leach field lines by a licensed, competent professional to determine the condition of the system as well as the adequacy of the system for the Buyer's specific needs. Visual inspection of the tank alone is insufficient. Brokers do not have the necessary expertise to make those determinations.

Expansion or remodeling of the dwelling may be restricted due to the existence of the septic system. Securing approval for changes in the dwelling may be conditioned upon testing, removal, repair, or other changes to the system which may be expensive. The septic system may not be in compliance with current or future code requirements and code compliance may be required for any future work done on the Property. Buyer should investigate these issues with appropriate experts. Brokers cannot determine these issues.

Buyer can get more information about OWTS/Septic System regulations by contacting the State Water Resources Control Board, 1001 I Street, Sacramento, California 95814 or at Post Office Box 100, Sacramento, California 95812; (916) 341-5250 and by reviewing the SWRCB's website: <http://www.swrcb.ca.gov/ab885/index.html>

112. **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

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residential application is currently exempt provided the tank is less than 750 gallons and was used for fuel oil only. However, this does not guarantee that you would be exempt from abatement if a UST is discovered upon your property. Each municipality has very different regulations concerning UST's that may include removal and soil cleanup of any toxic material that may have leaked from the tank. You are advised to speak directly to the Public Work Department, Building Department and/or Fire Department in your city concerning specific regulations affecting UST's.

13. CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS AND HOMEOWNERS ASSOCIATIONS:

If the Property is located in a Common Interest Development, the Seller can request that the Homeowners' Association (HOA) provide certain required documents regarding the HOA operation and expenses to meet the Seller's disclosure obligations under Civil Code Section 1368. Some neighborhoods have established HOAs that may charge dues and enforce their own restrictions. It is strongly recommended that Buyers receive the current

HOA documents directly from the HOA rather than from any on-line service or from an earlier transaction. 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, Buyer 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. 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 Buyer's intended uses.

Due to noise and other factors, an HOA may restrict the type of floor and/or wall material that can be used in certain units and/or the number of pets. Buyers should directly contact the HOA Board to determine whether or not the Property can be used for Buyer's intended purposes. Buyer should also determine whether or not the Property meets Buyer's subjective personal preferences.

Many Condominiums and other Common Interest Developments 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.

Occasionally issues arise in the purchase of Property in a Common Interest Development 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 Buyer personally determine that the parking and storage space(s) that are designated in the recorded documents are actually being transferred to Buyer and that those space(s) are acceptable for the Buyers' intended needs and uses of the Property.

The existence of HOA insurance does not necessarily mean that there is insurance coverage for any given single interest or unit in the Development, an owner's remodeling or upgrade efforts and/or the owner's contents. See Insurance information below.

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14. TENANCIES IN COMMON:

Tenancy in Common is a form of ownership by which all of the owners of the property (the "co-tenants" or "tenants-in-common") are deemed to own undivided interests in the entire property, in percentages set forth in their respective deeds. By agreement, the owners may assign to one another specific occupancy and other rights. Usually, all of the owners are fully liable for the mortgage, and the mortgage cannot be modified without the consent of the lender and all of the owners. These are extremely complex relationships requiring, among other matters, a carefully written tenants-in-common agreement setting forth the rights and responsibilities of all of the owners, including rights of exclusive occupancy of specific units, financial obligations, restrictions on use, use of common areas, restrictions on subsequent sales and dispute resolution mechanisms. Real estate agents and brokers are not qualified to review and analyze tenants-in-common agreements. Prior to purchasing a TIC property, Buyer is strongly urged to seek competent legal counsel to review any existing tenants-in-common agreement, and otherwise to advise Buyer regarding the nature of this form of real estate ownership generally, and regarding this particular tenants-in-common arrangement.

15. INSURANCE:

During the inspection contingency, Buyer should consult with an insurance broker to determine the cost of homeowners' insurance as well as the types of coverage that may be available and any conditions that the insurance company is going to impose. For example, many insurance companies are refusing to provide homeowners' insurance coverage unless certain retrofit requirements are met, 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 Buyer on other properties may affect the final cost of the homeowners' insurance on the property being purchased by Buyer. Buyer should investigate these matters thoroughly prior to removing their inspection contingency.

16. 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 person(s) 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.

C. FEDERAL, STATE AND REGIONAL CONDITIONS ADVISORIES

17. EPA LEAD PAINT REGULATION

Beginning April 2010, U.S. Environmental Protection Agency (EPA) regulations require, among other things: (a) that contractors be certified before performing work in homes built before 1978; and (b) that property owners who wish to renovate, repair, or prepare surfaces for painting in pre-1978 rental housing or space rented by child-care facilities must, before beginning work, also be certified and follow the lead-safe work practices required by EPA's Renovation, Repair and Remodeling rule. For detailed information, contact the U.S. EPA's Lead Information Center at 1-800-424-LEAD [5323], or at 75 Hawthorne St., San Francisco, CA 94105 (415) 947-4280, or at: <http://www.epa.gov/lead/pubs/renovation.htm>

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18. A. UNSTABLE HILLSIDES:

Many areas of the Oakland and Berkeley Hills, and indeed other hillside properties in the area, 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.

B. EXPANSIVE SOIL:

Some parts of the East Bay 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.

C. HIGH WATER TABLES:

Some parts of the East Bay 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.

Reports from Natural Hazard Disclosure (NHD) companies may not contain all of the 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.

19. 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, Buyer have such additional inspections by inspectors or engineers regarding these conditions as Buyer may desire.

20. EAST BAY CLIMATE CONDITIONS

The East Bay area exhibits several micro climates. Buyer is advised that these areas are subject to frequent strong winds, wind-driven rain, fog, salty sea air 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. Buyer is advised to fully investigate these conditions and the increased maintenance and repairs that may be needed for any Property located in these coastal areas.

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21. PERMIT ISSUES:

Some improvements to property such as repairs, remodels and additions may have been done without a required permit. One such example would be where a second living unit ("in-law unit") is being rented by the Seller but the required permit was not obtained for this in-law unit. 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. 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. Further, in some cities, such as Piedmont, the city may, upon noticing a non-permitted item, conduct an investigation of the property and the entire permit history and require the current owner to bring the property into current compliance. See Section D, City Advisories, for more information on Piedmont properties.

22. NONCONFORMING ROOMS, ALTERATIONS OR ADDITIONS:

Buyers are advised that any rooms, alterations or additions to the property which were made or constructed without necessary permits or certificates of completion ("nonconforming improvements") may be subject to fines, permit costs, construction costs, and other expenses to bring into conformity. In some cases, 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 might not be possible to legalize such nonconforming improvements because of zoning or permit issues and/or other legal or regulatory limitations. Some East Bay 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, the seller may not be aware of some or all illegal improvements or uses especially those that were made prior to the seller's ownership of the property. In addition, 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. For these reasons, 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 inspection contingencies.

23. CODE COMPLIANCE AND ENFORCEMENT

If this is not a new property, not all aspects, components and structures on the property may comply with current code. This may be because code requirements have changed since the improvements were first constructed or, in some cases, improvements may have been made by the current owner, or even by prior owners without the knowledge of the current owner. Real estate brokers are not qualified to identify code violations. If the applicable city or county building department discovers the code violations, the current owner may be required to bring the property into current code compliance or remove or demolish the portion of the property that is in violation. Various building departments take different approaches to enforcement; some are more strict than others. Prior to removal of the inspection contingency, Buyers should have the home inspected by a qualified home inspector who can identify code violations and comment on local codes, regulations and practices regarding enforcement.

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24. **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 Buyer investigate this issue with the Pacific Gas and Electric Company ("PG&E").

25. **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.

26. **REAL PROPERTY TAXES AND ASSESSMENT DISTRICTS:**

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 Buyer; and payment on Mello Roos and other Special Assessment District bonds and assessments that are now a lien on the Property.

The existence of Mello-Roos and 1915 Bond districts will be reported in a report by a Natural Hazard Disclosure (NHD) company. Most other assessment districts will be reported in the Preliminary Report from the title company. Still others may be disclosed by Seller or local disclosure. The Seller's tax bill alone does not necessarily reflect all of the costs related to taxes and assessments on real property. 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, Buyer is advised to discuss the matter with the appropriate District prior to removal of the appropriate inspection or title contingency, and to address responsibility for payment of taxes and assessments in the negotiations for the Purchase Agreement.

27. **SCHOOLS:**

Some school districts have experienced financial and academic achievement difficulties and, as a result, may face bankruptcy, reorganization or takeover by a state administrator. 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. These and any other factors or concerns of buyers should be investigated by buyers prior to removing inspection contingencies in a purchase agreement.

28. **RESIDENTIAL RENTAL UNIT ANNUAL FEE: Some cities charge landlords a "Residential Rental Unit Annual Business Tax License Fee." Here is a partial list of cities with such fees. Please be advised that a city may impose or change such fees after you purchase the property. Please contact the city in which your rental property is located for the most current list of such fees:**

Alameda: \$20.00 annually for each rental unit. Single family units on an existing parcel of record are exempt.

Berkeley: \$10.81/\$1000 of gross rental receipts annually for all Residential Property with 3 or more units on an existing parcel of record. Single family units and duplexes are exempt.

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Emeryville: Owners of all residential rental units shall pay the greater of \$25.00 or 0.08% of all gross rental receipts annually, not to exceed a total of \$75,000.

Oakland: Owners of all residential rental units shall pay \$13.95/\$1000 of gross rental receipts annually.

Albany: Owners of all residential units shall pay \$76.00 per unit annually.

El Cerrito: Owners of all residential units shall pay \$82.00 per unit annually.

29. RENT CONTROL ISSUES

The Cities of Berkeley, Oakland and Richmond have a form of Rent and Eviction Control. Buyers are advised to investigate these ordinances and to satisfy themselves as to the applicability of these ordinances to their intended use of the property.

30. SEWER LINE INSPECTION AND COMPLIANCE

A number of East Bay Cities and Sanitary Districts require that sewer laterals be inspected and brought into conformance as a part of the sale of property. A recent court order will require the cities of Oakland, Emeryville, Piedmont, Berkeley, Alameda, Albany, Kensington, El Cerrito and the Richmond Annex of the City of Richmond to require homeowners to fix or upgrade their sewer lines when a home is sold or upgraded.

The East Bay Municipal Utility District ("EBMUD") Wastewater Control Ordinance will require property owners in certain areas of the EBMUD wastewater service area to obtain a compliance certificate that shows their private sewer laterals are without defects and have proper connections. The private sewer lateral program requirements for property owners **will be in effect on January 1, 2011**. The ordinance specifies three conditions which require property owners to test and, if needed, repair or replace their private sewer laterals:

- Prior to selling the property; or
- When obtaining any permit for the construction or modification of the property estimated to be greater than \$100,000; or
- When increasing or decreasing EBMUD water service that requires a change in meter size.

These EBMUD requirements will only affect properties in the EBMUD wastewater service area in Emeryville, Oakland, and Piedmont. The cities of Alameda, Albany, Berkeley and the Stege Sanitary District (which serves Kensington, the City of El Cerrito and a portion of the City of Richmond) have local private sewer lateral ordinances already in effect.

It is not known whether existing requirements in several cities which already have such requirements will be strengthened. Sellers and Buyers are advised to check with the local Building Inspection Department or Sanitary District for more information.

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31 GAS SHUT-OFF VALVES

On February 9, 2010, the Contra Costa County Board of Supervisors revised an existing Ordinance regulating installation of approved gas shut-off devices in new buildings and in existing residential, commercial and industrial buildings prior to the sale of those buildings or when undertaking certain alterations or additions to those buildings located anywhere in the unincorporated areas of Contra Costa County if the building has a natural gas piping system. This law also applies to the sale of individual condominium units. The Ordinance seeks to make buildings safer in case of a breakage or disconnection of a gas line caused by earthquakes, landslides or common household accidents. Some insurance companies provide discounts on their homeowner's insurance coverage if such devices are in place.

This Ordinance does not contain any exceptions or exemptions for the type of sale (such as probate); Buyers and Sellers cannot agree to waive compliance with this Ordinance. The County is now requiring that on all improved real property that closes escrow after December 1, 2006 and that have fuel gas piping supplying a structure with gas, an approved seismic gas shut-off device (motion sensitive) or an approved excess flow gas shut-off device (non-motion sensitive) must be installed prior to the close of escrow:

1. For the sale of existing residential, commercial or industrial buildings, the approved gas shut-off device must be installed downstream of the gas utility meter at the beginning of each rigid gas piping system that serves the structure;

2. For the sale of existing condominium units, the approved gas shut-off device must be installed downstream of the meter on the gas piping serving the actual condominium unit that is being sold.

If any existing residential building is altered or added to that has fuel gas piping supplying the existing building or the addition and the building permit is issued after March 11, 2010, the approved gas shut-off device must be installed if the alteration or addition is either more than \$5,000 where fuel gas piping is involved in the alteration or addition, or more than \$15,000 where fuel gas piping is not involved in the alteration or addition.

For a list of the approved gas shut-off valves, please visit the homepage for the California Division of the State Architect website at <http://www.dsa.dgs.ca.gov> and search the site for gas shutoff devices.

NOTE: Real estate licensees cannot determine whether any Property is in compliance with this Ordinance and Agents have no liability for insuring that there is compliance with this Ordinance. Seller and Buyer should retain appropriate experts to investigate the existing gas lines to determine whether the required shut-off devices are in place. Buyer and Seller should reach a written agreement as to who is to pay for the inspection and/or the installation of any required devices since the Ordinance does not specify which Principal must be financially responsible.

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D. CITY ADVISORIES

32, **PIEDMONT 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 the house file, a person considering the purchase of a Piedmont residence is encouraged to review the file prior to completing the purchase. As a Purchaser of a home in Piedmont, you are strongly advised to:

- 1) Review the Building Permit File. Be aware that No New Permits will be issued for construction, repair or remodeling on the property if any historical permits are still open.
- 2) Consider the permits in the file when reviewing the current condition and amenities of the home. Be aware of construction or renovation that may have been done without permit.

3) 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.

4) Regardless of when the Non-Permitted work was performed on the property, the City of Piedmont considers the current owner responsible for compliance.

5) Compliance can be obtained by:

- a) Removing the illegal construction, thereby returning the structure to the original condition,
- b) Obtaining a retroactive approval to bring the illegal construction into compliance or
- c) Seek an entirely new permit to modify the illegal construction and bring it into compliance.

6) The City Council can impose fines of up to \$1,000 per day, not to exceed a total of \$100,000 if the condition is not brought into compliance within a reasonable amount of time.

To determine if there is any unapproved construction, go to the Department of Public Works, 120 Vista Avenue, Piedmont to review the house file and request a permit history.

RETROACTIVE PERMIT COMPLIANCE PROCESS

In order to determine if a property currently has any Illegal Construction, a homeowner may choose to have their home inspected. The options below are **SUGGESTIONS ONLY**. There is no current policy within the City of Piedmont as to a required inspection process.

- 1. If there is a suspicion of Illegal work or Non-Permitted construction on the property, the homeowner may choose to schedule an inspection with Chief Building Inspector for the City of Piedmont. This official can review the building record for the property and conduct an on-site inspection of the property. If illegal construction is found, the Public Works Department will then issue an official notice of Non-Compliance.
- 2. The homeowner may choose to hire a Licensed Architect that has experience with the City of Piedmont permitting process to perform the on-site inspection and review of the building permit file. If there is any non-permitted construction or remodeling revealed, the Architect can then prepare a proposal for the scope of work and Permits necessary to bring the property into Permit compliance. The Architect may then discuss the proposal with the Public Works Department.

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3. Once the scope of work is approved by the Public Works Department, the homeowner will need to:
 - a) Obtain any required approvals from Design Review,
 - b) Pay for the necessary Permits and any penalties,
 - c) Perform any remedial work required by the Permits,
 - d) Have all existing improvements and any new work that was required, inspected by the Chief Building Inspector.

4. When all construction has been approved, the Chief Building Inspector will give a **Final Inspection** and **Close the permit**. It is at this point that the property can be presumed to be in complete compliance.

For additional planning, building or zoning information please contact the Piedmont Department of Public Works at (510) 420-3050.

33. OAKLAND REGULATIONS

Provided below is a list of Oakland’s major regulations that relate to property ownership. These regulations, as well as the taxes and fees that are based on the regulations, may not apply to your particular property, but are provided as a convenient reference. This is not intended to be a complete list of such regulations. You may obtain copies of these and other codes and ordinances enacting these regulations from 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, or by downloading them from the Municipal Code link on the City's website: www.oaklandnet.com.

- [Business Tax](#)
- [Garbage Collection](#)
- [Real Property Transfer Tax](#)
- [Landscaping and Lighting Assessment District](#)
- [Mello-Roos Community Facilities District](#)
- [Emergency Medical Services Assessment District](#)
- [Paramedic Services Assessment District](#)
- [Library Services Retention Assessment District](#)
- [Fire Utility Underground Assessment District](#)
- [Medical Hill Parking Assessment District](#)
- [Lakeshore Ornamental Lighting Special Assessment District Phase I & IV](#)
- [LaSalle Utility Undergrounding Assessment District](#)
- [Harbor Utility Undergrounding Assessment District](#)
- [Grizzly Peak Utility Undergrounding Assessment District](#)
- [Skyline Sewer Assessment District](#)
- [Rockridge Area Water Improvement Assessment District](#)
- [Lakeshore/Lake Park Business Improvement Management District](#)
- [Fruitvale Business Improvement District](#)
- [Report of Residential Building Record](#)
- [Residential Rent Arbitration Section](#)
- [Tree Ordinance](#)
- [Hazardous Tree Ordinance](#)
- [View Ordinance](#)
- [Earthquake Safety](#)

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34. HERCULES SEWER LATERAL REQUIREMENT

The City of Hercules requires that the sewer laterals be cleaned, inspected and, if necessary repaired prior to the close of escrow UNLESS it is a probate transfer or some trust transfers in which case it must take place within 180 days of the transfer. If it is an inter-spousal transfer there is a complete exemption. There is a provision of a "hardship" exception.

35. ALBANY SMOKE DETECTOR ORDINANCE

The City of Albany requires that, prior to the sale of any real property, the property owner shall upgrade the smoke alarm/smoke detector system to photoelectric-only devices. There are exemptions for hardships and infeasibility of compliance.

E. SOURCES OF INFORMATION

City of Alameda: <http://www.ci.alameda.ca.us/>
2263 Santa Clara Ave, Room 380 Alameda, CA 94501 Tel: 510/747-4800
Police <http://www.ci.alameda.ca.us/police/> Tel: 510/337-8340

City of Albany: <http://www.albanyca.org/>
1000 San Pablo Ave, Albany CA 94706 Tel: 510/528-5710
Police <http://www.albanyca.org/dept/police.html> Tel: 510/525-7300

City of Berkeley: <http://www.ci.berkeley.ca.us/>
2120 Milvia Street, Berkeley CA 94704 Tel: 510/981-7440
Berkeley Rent Control: <http://www.ci.berkeley.ca.us/rent/>
2125 Milvia Street, Berkeley, CA 94704 Tel: 510/644-6128
Police <http://www.ci.berkeley.ca.us/police/> Tel: 510/981-5900

City of El Cerrito: <http://www.el-cerrito.org/home/>
10890 San Pablo Avenue, El Cerrito CA 94530 Tel: 510/215-4300
Police <http://www.el-cerrito.org/police/> Tel: 510/215-4400

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/police/> Tel: 510/596-3700

City of Hercules: <http://www.ci.hercules.ca.us>
111 Civic Drive, Hercules, CA 94547 Tel: 510/799-8200

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

City of Piedmont: <http://www.ci.piedmont.ca.us/>
120 Vista Avenue, Piedmont, CA Tel: 510/420-3040
Police <http://www.ci.piedmont.ca.us/> Tel: 510/420-3000

City of Richmond: <http://www.ci.richmond.ca.us/>
1401 Marina Way So. , Richmond CA 94804 Tel: 510/620-6513
Police <http://www.rponline.net/main/home.htm> 510/233-1214

City of San Leandro: www.ci.san-leandro.ca.us
835 E. 14th St, San Leandro Ca 94577 Tel: 510/577-3420

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Stege Sanitary District: <http://www.stegesd.dst.ca.us/>
7500 Schmidt Lane, El Cerrito CA 94530 Tel: 510/524-4668

West County Waste water District: <http://www.wc wd.org>
2910 Hilltop Dr, Richmond, Ca 94806 Tel: 510/222-6700

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.

F. RECOMMENDATION TO RETAIN AN ATTORNEY AND ACCOUNTANT:

In addition to the professional service providers you will retain to inspect and analyze the property you are purchasing or selling, a situation may arise during the course of your purchase transaction that requires you to either make an important decision, or select a plan of action that could result in significant legal consequences and substantial impact on your personal finances. The most prudent and best plan is for you to identify a certified public accountant and real estate attorney in advance of the sale or purchase of your property so that you can quickly contact and seek the proper financial and/or legal advice and guidance if needed during the transaction.

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 or size of structures or land, boundary lines of the property, representations made by others (including but not limited to the Seller), information contained in inspection reports or in the Multiple Listing Service or that has been copied therefrom, or 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 Buyer 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 Buyer should pay or Seller should accept; and
- Broker is 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 service.

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In these and all other matters referred to in this Disclosures and Disclaimers Advisory, Buyer and Seller are advised to seek any desired assistance from appropriate qualified professionals. Nothing any broker or sales agent may say will change the terms or effect of this Advisory.

This document may be signed in counterparts.

THE UNDERSIGNED ACKNOWLEDGE RECEIPT OF THIS eighteen (18) PAGE DOCUMENT.

Buyer

Dated: _____, 201__

Buyer

Dated: _____, 201__

B0917EE6961E45A...
Chris Oliver

Signed By: Chris Oliver
Seller

Dated: 10/8/2010, 201__

Seller

Dated: _____, 201__