

380 Colorado Ave., Palo Alto CA 94306

Attached please find the following reports. If you intend to present an offer on this property, please make sure that you have the most current version of the disclosure packet and your clients sign the acknowledgement of receipt at the bottom of this letter. Please return the signed copy of the receipt letter and review and sign all disclosure documents and return them to me with your offer.

Neither I nor the Seller have verified any of the information contained in those documents that were prepared by other people. Buyers need to satisfy themselves as to the issues discussed in these documents.

1. PRDS Disclosure Regarding Agency Relationships
2. MLS data sheet
3. Advisory and Consent Regarding Multiple Agency and Dual Agency
4. Advisory Regarding Market Conditions
5. PRDS Real Estate Transfer Disclosure Statement
6. PRDS Supplemental Seller Disclosure Checklist
7. Guide to Earthquake Safety, etc: Receipt for Booklet
8. Buyer's Inspection Advisory
9. Smoke Detector & Water Heater Statement of Compliance
10. Lead-Based Paint Disclosure
11. Preliminary Title Report by Chicago Title Co.
12. Natural Hazards Disclosure Statement by JCP
13. Environmental Hazards Disclosure Statement by JCP
14. Building Inspection Report
15. Pest Inspection Report
16. San Mateo/Santa Clara County Advisory
17. Residential Earthquake Hazards Report
18. Clue Report
19. Palo Alto Parcel Report
20. Project Data

Truly Yours,
Lan L. Bowling
Keller Williams
Cell: 650-520-3407

The undersigned Buyer acknowledges receipt of all of the above documents.

Date _____ Buyer: _____

Date _____ Buyer: _____

Date _____ Buyer's Agent: _____



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PRDSSM DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS (Page 1 of 2) (As required by the Civil Code) Revision Date 01/15



When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent(s) in the transaction.

FORM NEEDS TO BE COMPLETED AND PROVIDED AS FOLLOWS:

- a) Listing Agent to the Seller before entering into a listing agreement; b) Buyer's Agent to the Buyer as soon as practicable before signing an offer; c) Buyer's Agent to the Seller before presenting an offer; d) Listing Agent, when acting as a dual agent, to the Buyer as soon as practicable before the Buyer signs an offer.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and the Seller: (a) Diligent exercise of reasonable skill and care in performance of the agent's duties; (b) A duty of honest and fair dealing and good faith; (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the Property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT

A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer.

To the Buyer and the Seller: (a) Diligent exercise of reasonable skill and care in performance of the agent's duties; (b) A duty of honest and fair dealing and good faith; (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer: (a) A fiduciary duty of utmost care, integrity, honesty, and loyalty in the dealings with either the Seller or the Buyer; (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

This disclosure form includes the provisions of Section 2079.13 to 2079.24, inclusive, of the Civil Code set forth on the reverse side hereof. Read it carefully.

If the transaction involves one-to-four dwelling residential property(s), including a mobile home, this Disclosure form must be provided in a listing, sale, exchange, installment land contract, or lease over one year.

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

Signature block with dates (3/3/2015, 2/26/2015) and names (Kai Zhao, Zhuo Gao, Lan Bowling) and license numbers. Includes checkboxes for BUYER, SELLER, TENANT, and AGENT (COMPANY).

Additional signature lines for BUYER, TENANT AGENT (COMPANY), SELLER, and OWNER with checkboxes and labels for signature before presentation of offer.

CIVIL CODE SECTIONS 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13 As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings: (a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions. (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee. (d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29. (e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction. (f) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer. (g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation. (h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent. (i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller. (k) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (l) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase. (m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor. (o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller. (p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

2079.14 Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgement of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows: (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgement of receipt is required. (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

2079.15 In any circumstance in which the seller or buyer refuses to sign an acknowledgement of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an agent, shall set forth, sign, and date a written declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

2079.17 (a) As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the listing agent shall disclose to the seller whether the listing agent is acting in the real property transaction exclusively as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the listing agent prior to or coincident with the execution of that contract by the seller.

(c) The confirmation required by subdivisions (a) and (b) shall be in the following form.

(DO NOT COMPLETE. SAMPLE ONLY) _____ is the agent of (check one): the seller exclusively; or both the buyer and seller.

(Name of Listing Agent)

(DO NOT COMPLETE. SAMPLE ONLY) _____ is the agent of (check one): the buyer exclusively; or the seller exclusively; or

(Name of Selling Agent if not the same as the Listing Agent)

both the buyer and seller.

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

2079.18 No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

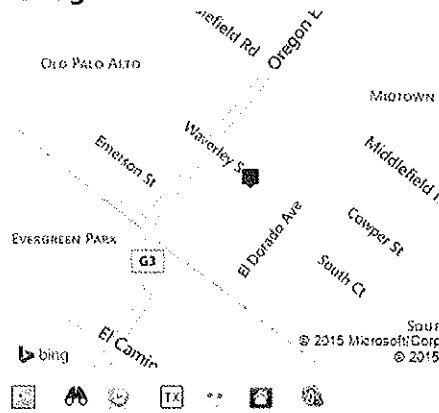
2079.21 A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

2079.23 A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

Agent Page



MLS #: ML81499751
Beds: 4
Baths (F/P): 3 (3/0)
Apprx.Sqft: 2,396 SqFt (Other)
Apprx Lot: 5,500 SqFt (Other)
Apprx Lot (A): 0.13 Acres (Other)
Age/Yr B.: 3/2012 (Tax)
Parcel#: 132-13-068
DOM: 1
LA: Lan L. Bowling
LA Phone: (650) 520-3407
Walk Score: 54

380 Colorado Avenue , Palo Alto 94306
 County: Santa Clara
 Area: 234 - Midtown
 Class: Res. Single Family
 Land Use: SFR
 Comm: 2.5%
 L.Type/Service: Exclusive Right to Sell, Full Service
 Special Info: Not Applicable / Not Disclosed
 Public:

Status: Active
Orig Price: \$3,498,000
List Price: **\$3,498,000**
Sale Price:

Dates:
 Original: 08/13/2015
 List: 08/13/2015
 Sale:
 COE:
 Expires: 11/30/2015
 Off Mrkt:
 LOE:

Fin Terms:
 Beautiful 3 yr-new, contemporary Mediterranean home w pavered driveway, winding walk, sheltered front porch & gorgeous entrance door. Open concept design w luxurious tray ceilings, deep crown moldings, hand-scraped hardwood floors, large casement windows w muntion detailing & multiple glass crystal chandeliers. A gorgeous chef's kitchen, generously sized central island w breakfast bar seating & premier appliances. Professional landscaped yard. A perfect home in a perfect Midtown location. Excel PA schools

Private: Call agent (650-520-3407) for showings. Offers with signed disclosures, letter of approval and/or proof of funds. Call agent regarding offer date and time. PRDS please. Disclosures will be on line on Friday 8/14/15

Showing & Location

Showing Information

Occupied By: Vacant
 Show Contact: Call Agent
 Phone: (650) 520-3407
 Gate Code:

Map
 X Street:
 Directions:

Owner:
Instructions: Call Listing Agent, Lockbox - Supra iBox Bluetooth

School
 Elem: **El Carmelo Elementary / Palo Alto Unified**
 Middle: David Starr Jordan Middle
 High: **Palo Alto High / Palo Alto Unified**

08/14/2015 Area 230-243, 300-311, 320-322
 Beautiful 3 years-new contemporary Mediterranean home in prime Midtown Loc

Tour
 Silicon Valley Association of REALTORS

Features

Bath Features: Double Sinks, Marble, Shower and Tub, Stall Shower, Tile, Tub(s), Tub w/Jets
Construct Type: Heating: Central Forced Air - Gas
Cooling: Central Forced Air
Dining Rm: Breakfast Nook, In Living Room, Eat in Kitchen
Family Room: Kitchen/Family Room Combo
Fireplace: #1 / Gas Starter
Kitchen: Countertop - Granite, Hood Over Range, Island, Microwave (s), Oven Range - Built-In, Gas, Pantry, Refrigerator (s)

Pool Features:
Garage/Parking
 Garage: 1 Carport:
 Open Parking:

Flooring: Carpet (s), Hardwood, Tile

Utilities

Sewer: Sewer - Public
Electricity: Public
Water: Public

Contact Information

LA: Lan L. Bowling
LA Lic#: 01248958
LO: Keller Williams Palo Alto
LA Ph: (650) 520-3407
LA Em: lan@lanbowling.com
LO Ph: (650) 454-8500
LA Fx:
LO Fx: (650) 473-9517

Disclaimer: The above information is deemed to be accurate but not guaranteed; Source: MLSListings

READ AND APPROVED

SIGNATURE _____
 SIGNATURE _____
 DATE _____



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**ADVISORY AND CONSENT REGARDING
MULTIPLE AGENCY AND DUAL AGENCY**

Revision Date 8/04



Real estate brokerage companies vary in terms of number of sales agents and branch offices. Larger brokerages may, at any one time, service hundreds of listings and address the needs of thousands of individual clients. Client is advised that such circumstance, coupled with limited housing inventories and expanding demand for homes, can engender vigorous competition for the same property by numerous buyers and result in situations (referred to herein as "Multiple Agency") wherein two or more sets of buyers *are represented by agents from the same brokerage company*. Related to Multiple Agency (and included within the scope of that term for purposes of this document) are situations wherein a buyer client is introduced to and shown properties that are listed with the same brokerage to which that buyer's agent belongs.

"Dual Agency" arises when (1) both the buyer and seller of a particular property are represented by the same, individual agent or (2) the buyer and seller are separately represented by different agents of the same brokerage company. Dual Agency is recognized and accepted under California law as a legally authorized agency relationship, and is addressed in the "Disclosure Regarding Real Estate Agency Relationships" form required by Civil Code Section 2079.13, et seq. and provided to Client. When consented to by the subject buyer and seller, a listing agent is thus permitted by law to represent said listing agent's own buyer client (if any) in the showing and eventual sale of property listed by that agent, and may present offers for that buyer on properties listed by other agents affiliated with the same brokerage. Client is nevertheless advised, and acknowledges and understands, that conflicts of interests can and do arise in Dual Agency situations due to the inherently competing interests of buyers and sellers of a particular property and the fact that one single brokerage company, and the agent(s) involved, owe a fiduciary duty to buyer and seller both.

As to any such conflict or dispute, Client understands and agrees that Agent may seek guidance and counsel from Agent's managing broker or broker of record (as applicable) to assist in achieving a fair and impartial resolution. Client acknowledges and accepts Agent's affirmation of brokerage fiduciary duties and responsibilities and Agent's commitment to devote best efforts to fairly and ably resolve such conflicts and other disputes in a manner that favors the interests of neither party over the other. Additionally, Client accepts that, although Agent commits to the full and faithful disclosure to both Buyer and Seller of all material information (of which Agent is aware) reasonably bearing on value or desirability of the subject property, Agent will not (without written consent):

- (a) reveal to Buyer the fact or extent of any willingness by Seller to sell the property at a price, and/or upon terms, less than those set forth in the subject listing;
- (b) reveal to Seller the highest price and/or most Seller-favorable terms upon which Buyer is willing to buy the property; or
- (c) reveal to the other party to the transaction any information relating to any family, financial, health, occupational or other circumstance, purpose or motivation (not relating to condition, value or desirability of the property) that might influence or otherwise bear on Buyer's or Seller's decision to purchase or sell the property.

Client acknowledges and accepts the foregoing limitations and exceptions regarding disclosure by Agent, and acknowledges Agent's advice and recommendation to confer with legal counsel regarding Multiple Agency and Dual Agency and any decision to proceed on the basis thereof.

Client affirms that Client has read and considered the foregoing, and that Client expressly consents to, and hereby agrees to allow Agent and Agent's Broker to proceed on the basis of, Multiple Agency and Dual Agency on Client's behalf as explained herein.

_____	_____	DocuSigned by: <i>Kai Zhao</i>	5/29/2015
Client (Buyer)	Date	Client (Seller) <i>Kai Zhao</i>	Date
_____	_____	DocuSigned by: <i>Zhuo Gao</i>	5/28/2015
Client (Buyer)	Date	Client (Seller) <i>Zhuo Gao</i>	Date
_____	_____	DocuSigned by: <i>Lan Bowling</i>	5/28/2015
Agent for Client (Buyer)	Date	Agent for Client (Seller) <i>Lan Bowling</i>	Date
_____	_____	Keller Williams	_____
Brokerage Company (please print)		Brokerage Company (please print)	



PRDS® ADVISORY REGARDING MARKET CONDITIONS, MULTIPLE AND NON-CONTINGENT OFFERS, FINANCING/APPRaisal AND PROPERTY CONDITION
Revision Date 5/06 Print Date 5/06





The residential real estate market is, and historically has been, cyclical. Bay Area housing values have experienced repeated up-turns - - with extraordinary price increases in some cases - - and down-turns, where home sale prices descend, in some cases dramatically. Factors contributing to these home price swings include national and local economic conditions and business cycles, and especially the significant and sometimes immediate influence that business advances and declines related to high-tech, bio-tech and other business enterprises exert on the housing sector. Beyond that, the fact that Bay Area housing demand often exceeds housing supply furnishes another important explanation for occasionally intense competition for limited housing stock. Your real estate agent cannot predict market swings, and whether and to what extent real property purchased today will, in the future, appreciate or depreciate in value. In view of these real estate price dynamics, the parties to the Purchase Contract herein are advised of the following:

- 1. **Multiple Offers and Fair Market Value:** When it comes to residential housing offered for sale, this persistent imbalance of inventory and demand can give rise to “multiple offer” situations, wherein two or more sets of prospective buyers compete - - sometimes fiercely - - for the same property. Vigorous competition can drive a sales price well above asking price and, for that matter, substantially above a figure that would realistically be considered “fair market value”. One peril for the Buyer in such a setting is that an artificially high purchase price can compound the economic consequences of a Buyer’s need to sell the property before it has an opportunity to appreciate (if it will at all) to a level reflecting the actual purchase price, thus resulting in the possibility of a net loss to Buyer at time of sale.
- 2. **Financing and Appraisal Issues and Risks:** Another peril for a Buyer who has “won” such a bidding competition can include inability or difficulty obtaining financing from a lender whose objectively derived appraisal cannot support the actual price paid. A lender’s decision to approve of a Buyer as borrower takes into account an evaluation both of Buyer’s **creditworthiness**, i.e., the prospects for the Buyer’s ability to continuously make mortgage payments and **appraisal**, i.e., an objective fair market valuation of the property.

Where the subject property is appraised at a price considerably below the actual purchase price, the lender will typically decline to make the loan unless the Buyer is willing to provide enough **increased down payment** to cover the difference between the loan amount applied for and the amount the lender (once in receipt of the appraisal) is ultimately willing to lend. This increased down payment requirement can be substantial and, depending on financing contingency status, Buyer’s inability to bring in that increased amount may expose Buyer to forfeiture of his deposit, or worse. (It bears noting that, where the Liquidated Damages clause is not made a part of the purchase contract, the economic exposure to a defaulting Buyer has no limit or “cap”.)

Another financing-related risk arises where a Buyer with a loan contingency is putting such a substantial amount of money down that, even with an appraisal far below the Buyer’s purchase price, the lender is still willing to lend on strength of an auspicious loan-to-value ratio. The “risk,” therefore, lies in Buyer’s contractual obligation to proceed with removal of the financing contingency (even though the property didn’t “appraise out” and Buyer feels he paid too much for the property), all because the lender is indeed willing to lend.

Buyer’s Initials () ()
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Seller’s Initials () ()
Form RMC Revised 5/06



CONDITIONS, MULTIPLE AND NON-CONTINGENT OFFERS, FINANCING/APPRaisal AND PROPERTY CONDITION (Page 2 of 2)

3. Non-contingent Offers; Associated Risks: A contingency is a contractual condition (e.g., Buyer's approval of the physical condition of the Property) based upon which a Buyer, acting in good faith, can elect to not proceed with the transaction and can recover, without penalty or sanction, Buyer's deposit. Financing, property condition, insurance, title and other contingencies stand as important protections to a Buyer. Accordingly, a Buyer whose offer is fully "non-contingent" - - wherein all contingencies are waived - - foregoes important protections. Among these is the right to cancel the contract based upon an inability to obtain financing or upon a post-acceptance discovery of serious physical defects and other problems. It is important to note that the discovery during escrow of previously unknown defects *does not* (absent fraud) create for the non-contingent Buyer a new right to terminate the contract.

Inherent in Buyer's decision of what price and terms to include in an offer is (on one end of the spectrum) the risk that a non-contingent contract, while attractive to a Seller, exposes the Buyer to the risk of having to either go through with the purchase of a possibly defective property or withdraw and suffer the economic consequences of default. At the other end of the spectrum is the risk that the Seller will reject Buyer's contingent-laden offer in favor of a competing offer with few or no contingencies.

Notwithstanding these important concerns, a Buyer who is determined to prevail as successful bidder may freely elect to assume these risks of non-contingency, preferring instead to generate an offer sufficiently attractive to a Seller that the "risk" of being outbid by a competing offer is correspondingly reduced. Each buyer must, upon careful deliberation, decide how much of which risk he or she is willing to assume. Risk factors vary in each transaction and must be thoughtfully considered in each case. For example, where a non-contingent buyer has access to a seller-provided pre-sale disclosure "packet" containing essential inspection reports produced by reliable, reputable professionals, the risk to that buyer regarding those issues is far lower than it would be where no inspections have been undertaken at all. The latter involves maximum risk, and is strongly discouraged by Broker.

4. Property Condition: Irrespective of prevailing market conditions, Buyer is encouraged to engage property inspection professionals to examine the subject property, particularly where the Seller has not obtained and delivered to Buyer (prior to Buyer's submittal of an offer) a pre-sale property inspection report from a professional and disinterested property inspection expert. As stated above, a decision by Buyer to waive contingencies relating to property condition should be made only upon careful deliberation. Buyer should also review in advance such existing disclosures, inspection reports, building permit file records and other materials that could provide information and insights as to condition, value and desirability. Buyer should carefully review Seller and agent information provided in the Transfer Disclosure Statement and any additional disclosure (e.g., the PRDS Supplemental Seller Checklist) information. Additionally, where the contract provides for a pre-close of escrow "Walk-Through" (and whether the transaction is or is not "non-contingent"), Buyer should avail himself of that right and opportunity.

5/28/2015

Date: _____

Date: _____

Buyer: _____

Seller: _____
DocuSigned by:
Elihu Gao

Buyer: _____

Seller: _____
DocuSigned by:
Kai Zhao
17105BE94FAF487...



www.prdsonline.com

PRDS® REAL ESTATE TRANSFER DISCLOSURE ("TDS") (Page 1 of 3 - Revised 4/14)



THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF Palo Alto, COUNTY OF Santa Clara, STATE OF CALIFORNIA, DESCRIBED AS 380 Colorado Ave. THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE WITH SECTION 1102 OF THE CIVIL CODE AS OF (DATE) May 26th 2015. IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.

I. COORDINATION WITH OTHER DISCLOSURE FORMS:

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

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

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

II. SELLER'S INFORMATION:

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

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

Seller is occupying the property.

A. The subject property has the items checked below (read across):*

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

[*See related note, page 2]

Exhaust Fan(s) in bathrooms, kitchen 220 Volt Wiring in Laundry Fireplace(s) in Living Room
Gas Starter living room Roof(s): Type Concrete Age: 3 (approx.)
Other:

Are there, to the best of your (Seller's) knowledge, any of the above that are not in operating condition? Yes No

(* see note on Page 2)

Buyer and Seller acknowledge receipt of a copy of this page.

Seller's Initials (K7)(Z6)

Buyer's Initials () ()

Property: 380 Colorado Ave.

Palo Alto

Date

5/26/15

PRDS® REAL ESTATE TRANSFER DISCLOSURE STATEMENT ("TDS") (Page 2 of 3):

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

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

Describe: _____

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

*Installation of a listed appliance, device, or amenity is not a precondition of sale or transfer of the dwelling. The carbon monoxide device, garage door opener, or child-resistant pool barrier may not be in compliance with the safety standards relating to, respectively, carbon monoxide device standards of Chapter 8 (commencing with Section 13260) of Part 2 of Division 12 of, automatic reversing device standards of Chapter 12.5 (commencing with Section 19890) of Part 3 of Division 13 of, or the pool safety standards of Article 2.5 (commencing with Section 115920) of Chapter 5 of Part 10 of Division 104 of, the Health and Safety Code. The water heater may not be anchored, braced, or strapped in accordance with Section 19211 of the Health and Safety Code. Window security bars may not have quick-release mechanisms in compliance with the 1995 edition of the California Building Standards Code. Section 1101.4 of the Civil Code requires all single-family residences built on or before January 1, 1984, to be equipped with water-conserving plumbing fixtures after January 1, 2017. Additionally, on and after January 1, 2014, a single-family residence built on or before January 1, 1994, that is altered or improved is required to be equipped with water-conserving plumbing fixtures as a condition of final approval. Fixtures in this dwelling may not comply with Section 1101.4 of the Civil Code.

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

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

If the answer to any of these is yes, explain. (Attach additional sheets if necessary): _____

2) fences

D. Seller Certification:

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

Buyer and Seller acknowledge receipt of a copy of this page.

Seller's Initials (KJ) (Z.G.)

Buyer's Initials (_____) (_____)

Property: 380 Colorado Ave. Palo Alto Date 5/26/15

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

Seller [Signature] Date 7/26/2015

Seller [Signature] Date 7/26/2015

III. AGENT'S INSPECTION DISCLOSURE:

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

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

- Agent notes no items for disclosure.
- See Agent's Visual Inspection Disclosure.
- Agent notes the following items: see agent remarks.

Agent (Broker Representing Seller) Keller William By Lan Bowling Date 7/26/15
(Please Print) (Associate Licensee or Broker Signature)

IV. AGENT'S INSPECTION DISCLOSURE:

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

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

- Agent notes no items for disclosure.
- See Agent's Visual Inspection Disclosure.
- Agent notes the following items:

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

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

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

Seller [Signature] Date 7/26/15 Buyer _____ Date _____

Seller [Signature] Date 7/26/15 Buyer _____ Date _____

Agent (Broker Representing Seller) Keller William By _____ Date _____
(Please Print) (Associate Licensee or Broker Signature)

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

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

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

NOTE: EXEMPT TRANSFERS (TDS not required) include, but are not limited to, the following: transfers by a fiduciary of a decedent's trust or estate; transfers by foreclosure of trustee's sale or by deed in lieu of foreclosure; transfers to a spouse or a direct blood relative; transfers among co-owners; transfers requiring a "public report" (Bus. & Prof Code § 11018.1) or pursuant to Bus. & Prof Code § 11010.4.

Agent Remarks for 380 Colorado Ave., Palo Alto

- 1) Buyer is advised to obtain any or all inspections if deemed necessary. Buyer to check out any conditions that may affect the desirability of the property including but not limited to traffic, schools availability, building restrictions, crime rate, or permit evaluation.
- 2) Any references to square footage of the house, age, or lot size has not been verified by the agent, or Keller Williams. Buyers to verify the square footages of the house and lot.
- 3) Stains on the garage floor.
- 4) Scuff marks on the side gate door.
- 5) Total square footage 2,396 sq ft (living 2,168 + garage 228)
- 6) County records show 5,574 sq ft lot, Building Plan shows 5,496 sq ft lot, Palo Alto Parcel Report show 5,496 sq ft. We did not verify the lot square footage.
- 7) Cracks on the back patio.
- 8) Cal train noise can be hear from the property.

READ AND APPROVED

SIGNATURE

SIGNATURE

DATE



www.prdsforma.com

PRDS® SUPPLEMENTAL SELLER'S CHECKLIST



Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

THE INFORMATION ENTERED ON THIS FORM IS PROVIDED BY SELLER ONLY. THIS DOCUMENT IS SOLELY A SUPPLEMENTAL DISCLOSURE; IT IS NOT, AND SHALL NOT BE DEEMED TO CONSTITUTE, ANY PART OF THE RELATED PURCHASE CONTRACT.

▲ CAUTION TO SELLER: Seller must understand the importance and significance of Seller's disclosure obligations. Seller needs to take the time to carefully and fully complete all questions in this Checklist, including, but not limited to, providing a detailed explanation for all questions responded to with "yes." If Seller needs help in completing Seller's disclosure obligations, including what to disclose and how to disclose it, Seller should consult with Seller's own real estate attorney. Brokers cannot determine the legal sufficiency of any disclosure. In completing this Checklist, Seller should consider the following:

- Seller must disclose anything that is known to Seller that materially affects the value or desirability of the Property;
- It is always prudent for Seller to disclose and explain rather than remain silent;
- Seller can reduce the risk of subsequent disputes, claims, and litigation by making full disclosure to Buyer;
- Prior to completing this Checklist, Seller should review all existing documents in Seller's possession, including, but not limited to, past and current reports, inspections, disclosures, repair estimates, and invoices. Seller should provide these documents to Buyer with this Checklist;
- Seller should disclose all past and current problems, even those that have undergone repair, and should describe repairs that have been made;
- If Seller does not know the answer to any question, then Seller is "not aware" of that issue and should answer "No."

▲ CAUTION TO BUYER: Buyer is responsible for conducting Buyer's own investigations into any and all issues which impact the value and desirability of the Property, whether or not the issue is referenced in any advertisement or discussed in the Seller's or Broker's disclosure documents or by any advisories received by Buyer. Buyer must bear in mind that a property may suffer defects or deficiencies of which neither Seller nor Broker is aware. Buyer should also recognize that not all issues can be objectively determined, and some issues can have varying impacts on different people, since some people may be more sensitive than others. Buyer is urged to do all of the following:

- Carefully read the information contained in this Checklist, along with any advisories, disclosures, inspections, and/or reports Buyer receives from any source;
- Conduct additional/further investigations and inspections regarding any issues that concern Buyer which are raised by this Checklist and/or by any advisories, disclosures, inspections, and/or reports received by Buyer from any source;
- Thoroughly and thoughtfully inspect and evaluate the Property and, in doing so, meet Buyer's obligation to protect Buyer, including those facts which are known to or within the diligent attention and observation of the Buyer;
- Engage qualified professionals to evaluate all aspects of the Property and to consult all appropriate governmental agencies as part of Buyer's evaluation of the Property, preferably during Buyer's property condition contingency, if any;
- Recognize that this Checklist does not include questions regarding every conceivable issue. If Buyer has any concerns, questions, or special needs that are not discussed in this Checklist, then Buyer should prepare Buyer's own written questions and request that Seller provide written responses to those questions prior to removal of Buyer's property condition contingencies, if any.

The information provided in this Checklist is from the Seller and not the Broker or individual real estate licensees. Unless specified in writing, the real estate licensees involved in the transaction have not verified, and will not verify, any of the information provided by Seller. Although licensed to list, sell, and lease real estate, Broker may not have expertise on the information in this Checklist.

SELLER SHALL RESPOND TO EACH AND EVERY ONE OF THE FOLLOWING QUESTIONS:
 If Seller is aware of any negative condition or circumstance, whether past or present, and whether or not previously repaired, relating to any item that Seller has identified, Seller shall explain the underlying facts in detail in the space provided. (If necessary, use additional pages.)

1. GENERAL PROPERTY INFORMATION:

A. Approximate lot size: 5496 Source: Building Plan
 B. Approximate house square footage: 2,396 2,168 living sq ft ^{228 garage} Source: "
 C. Approximate year house was built: 2012 Source: "
 D. Number of years you have owned the Property: 6 Lived at Property: 3

ATTENTION: See PRDS San Mateo/Santa Clara Counties Advisory Regarding Building Permits/Non-Permitted Construction.

2. ALTERATIONS, ADDITIONS AND REPAIRS:

A. **DURING YOUR OWNERSHIP:** List below all alterations, additions and repairs made and designate the permit status for each item if applicable. **Provide copies of permits and other Seller documentation in your possession related to each item (List on attached PRDS Transmittal of Documents or equivalent form).** [UNK = UNKNOWN]

Description:	Date:	Permit Issued	Permit Final	Other Documentation
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>

Seller's Initials (KG) (ZG)

Buyer's Initials (_____) (_____)



Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

B. **PRIOR TO YOUR OWNERSHIP:** List below all alterations, additions and repairs made and designate the permit status for each item if applicable. **Provide copies of permits and other Seller documentation in your possession related to each item (List on attached PRDS Transmittal of Documents or equivalent form).** [UNK = UNKNOWN]

Description:	Date:	Permit Issued	Permit Finaled	Other Documentation
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
		YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> UNK <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>

C. **PRIOR REPORTS, INSPECTIONS AND DISCLOSURES:**

Identify and provide all prior written reports, inspections and disclosures (e.g., Transfer Disclosure Statement, supplemental disclosures) received by you at the time of your purchase and during your ownership relating to the Property.

Are you aware of any **oral/verbal** inspections/reports regarding the Property and/or the neighborhood that would adversely affect its desirability or value? If Yes, describe: _____

3. **CRACKS, SETTLEMENT, MOVEMENT, SLIPPAGE or INSTABILITY:**

A. Are you aware of past or present (including previously repaired) **CRACKS** in any of the following? foundation foundation jacks/pier supports/shims steps stairs basement crawl space retaining walls boundary walls chimney doorways interior walls exterior walls ceilings walkways sidewalks driveway patio floors slabs beams OTHER: _____ Seller is not aware of any of the above.

B. Are you aware of past or present (including previously repaired) **SETTLEMENT, MOVEMENT, SLIPPAGE or INSTABILITY** in any of the following? foundation foundation jacks/pier supports/shims steps stairs basement crawl space retaining walls boundary walls chimney doorways interior walls exterior walls ceilings walkways sidewalks driveway patio floors slabs beams OTHER: _____ Seller is not aware of any of the above.

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

Noticed floor squeaks in kitchen area. Had a handyman fix the squeaks and found one of the 2x6 joist had a crack. He fixed it by attaching another joint to the crack one.

4. **SOILS:** *sub floor*

A. To your knowledge, does there exist, or are you aware of, any history of the following?

	Your Property	Adjacent Properties
1. Landfill (of any material), grading, cut/fill, compaction	YES <input type="checkbox"/>	YES <input type="checkbox"/>
2. Other soils work: _____	YES <input type="checkbox"/>	YES <input type="checkbox"/>

B. Seller is not aware of any of the above.

For each box checked, identify its location and provide a separate and detailed explanation. Provide all documentation.

C. Are you aware of any past or present problems and/or other issues relating to any of the items checked in 4A and/or any of the following?

	Your Property	Adjacent Properties
1. Seasonal expansion or contraction of clay or other types of soils	YES <input type="checkbox"/>	YES <input type="checkbox"/>
2. Landfill (of any material), grading, cut/fill, compaction	YES <input type="checkbox"/>	YES <input type="checkbox"/>
3. Settlement	YES <input type="checkbox"/>	YES <input type="checkbox"/>
4. Slippage/sliding, ground movement	YES <input type="checkbox"/>	YES <input type="checkbox"/>
5. Erosion	YES <input type="checkbox"/>	YES <input type="checkbox"/>
6. Other soils conditions or work: _____	YES <input type="checkbox"/>	YES <input type="checkbox"/>

D. Seller is not aware of any of the above.

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

5. SURFACE/SUB-SURFACE WATER/MOISTURE CONTROL:

A. To your knowledge, does there exist, or are you aware of any history of, any of the following?

	Your Property	Adjacent Properties
1. Standing/ponding water.....	YES <input type="checkbox"/>	YES <input type="checkbox"/>
2. Flooding	YES <input type="checkbox"/>	YES <input type="checkbox"/>
3. Surface or subsurface streams, creeks, springs, aquifer.....	YES <input type="checkbox"/>	YES <input type="checkbox"/>
4. High water table	YES <input type="checkbox"/>	YES <input type="checkbox"/>
5. Water intrusion/persistent dampness	YES <input type="checkbox"/>	YES <input type="checkbox"/>
6. Drainage system, sub-drain/French drain/curtain drain.....	YES <input type="checkbox"/>	YES <input type="checkbox"/>
7. Sump pump(s)	YES <input type="checkbox"/>	YES <input type="checkbox"/>
8. Sub-area/basement fan(s)	YES <input type="checkbox"/>	YES <input type="checkbox"/>
9. Dry well(s)	YES <input type="checkbox"/>	YES <input type="checkbox"/>
10. Water run-off (to or from your property)	YES <input type="checkbox"/>	YES <input type="checkbox"/>
11. Other water issues	YES <input type="checkbox"/>	YES <input type="checkbox"/>

B. Seller is not aware of any of the above.

C. Are you aware of any past or present problems/issues relating to any items checked in 5A?..... YES NO

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

6. INTERIOR ELEMENTS: To your knowledge, does there exist, or are you aware of any history of, the following?

- A. Squeaking, sloping or out-of-level floors YES NO
- B. Stains, scratches, discoloration, warping, cupping, chipping, cracking, sponginess, water damage or other defects (including those covered by rugs or furnishings) relating to wood, tile, linoleum or any other flooring surface? YES NO
- C. Carpets that are damaged or defective (e.g., stains, spots, tears or odors)? YES NO
- D. Windows/doors that leak, stick or bind, are out of plumb, fail to latch, open/close with relative ease, or that otherwise fail to operate properly (continuously or seasonally)? YES NO
- E. Windows/doors that are drafty and/or emit noise caused by wind? YES NO
- F. Glass in any window, skylight, door (including shower door), or other feature or component of the Property that is not "safety glass"? YES NO
- G. Glass in any window, skylight, door (including shower door), or other feature or component of the Property that is cracked, chipped or broken? YES NO
- H. Seal failure or other defect in any multi-pane, thermo-pane windows or skylights? YES NO
- I. Shutters (interior), blinds and/or other window coverings that are damaged or defective (e.g., stains, spots, tears, odors, and/or malfunctions)? YES NO

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

Noticed Squeaking floor around kitchen area at the first floor. Had it fixed by a handyman. The inside french door of office room does not latch very well.

7. HEATING SYSTEM:

- A. Describe the type of heating system in the Property. (If there are multiple systems, account for each.)
2 sets of force-air gas heaters: one for each floor.
- B. Have you ever used any supplemental heating devices (e.g., space heaters)? YES NO
- C. Are you aware of any problems with or repairs to any aspect of the heating system? YES NO
- D. Are any bedrooms or other major rooms not directly served by the heating system? YES NO
- E. What is the approximate age of the heating system? Years: 3
- F. When was the heating system last serviced and by whom? Date: _____ By: _____

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

8. AIR CONDITIONING ("A/C"): Not Applicable (Property does not have A/C.)

- A. Describe the type of A/C in the Property. (If there are multiple systems/zones, account for each.)
2 sets of AC units, one for each floor.
- B. Are you aware of any problems with or repairs to any aspect the A/C? YES NO

Seller's Initials (kg) (Z.G.)

Buyer's Initials () ()



Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

- C. Are any bedrooms or other major rooms not directly served by A/C?..... YES NO
- D. What is the approximate age of existing A/C system(s)? Years: 3
- E. When was each A/C system(s) last serviced and by whom? Date: _____ By _____

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

9. ROOFS/GUTTERS/SIDING: Are you aware of any history of:

- A. Leaks in, from, or through the
 - 1. Roof of any structure at the Property? YES NO
 - 2. Decks or balconies that are roof surfaces? YES NO
 - 3. Siding, windows, skylights, gutters, downspouts, eaves or awnings?..... YES NO
- B. Blockages in gutters and/or downspouts? YES NO
- C. Repair, restoration, replacement (full or partial) on the
 - 1. Roof of any structure at the Property? YES NO
 - 2. Decks or balconies that are roof surfaces? YES NO
 - 3. Siding, windows, skylights, gutters, downspouts, eaves or awnings?..... YES NO
- D. Seller is not aware of any of the above.

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

The balcony on the second floor outside Master bedroom leaked. Neighbors Roofing & Gutters (Lic # 606525) had re-done the water proofing and no leak after that.

10. ELECTRICAL SYSTEMS, FIXTURES AND APPLIANCES: To your knowledge, does there exist, or are you aware of any history of any of, the following:

- A. Failure and/or repair of any electrical fixtures, devices or appliances? YES NO
- B. Dimming and/or flickering of lights? YES NO
- C. Blown fuses and/or tripped circuit breakers? YES NO
- D. Electrical repair, installation or other electrical work performed by you or by any other person, licensed or unlicensed, with or without a permit?..... YES NO
- E. Photovoltaic/solar electrical generation? Owned Leased Financed YES NO

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

11. TELEVISION/PHONE/ELECTRONICS:

- A. Your phone service is provided by: Land line Cellular Satellite Internet (e.g., VOIP)
 - Other _____ None
 - 1. Are you aware of any problems with wireless or other phone reception, at the Property? YES NO
 - 2. Your service provider(s): AT&T, Comcast
- ****Note: Not all areas are serviced by cell phone service providers.
- B. Is the Property equipped with an integrated phone systems (e.g., intercom, security systems, gates, or other functions)? YES NO
- C. Your television reception is provided by: Cable Satellite Dish Antenna Internet
 - Other _____ None
 - 1. Have you ever experienced any ongoing or recurring problems with your reception? YES NO
 - 2. Your service provider(s): Comcast
- D. Your internet service used at the Property is provided by: Cable Satellite Dish Public WiFi
 - Other _____ None used at Property
 - 1. Have you ever experienced any ongoing or recurring problems with your connectivity? YES NO
 - 2. Your service provider(s): Comcast
- E. Is the Property wired for an integrated multimedia system? YES NO
 - 1. Have you ever had problems with the installed wiring? YES NO
- F. Existing security systems, services and/or devices:
 - 1. Is the Property equipped with an alarm system? YES NO
 - Leased Owned Auditory "Central Station"
 - 2. Is the Property equipped with a video surveillance system? YES NO
 - 3. Is the Property equipped with automatic security lighting system? YES NO

Seller's Initials (KJ) (Z.G.)

Buyer's Initials (_____) (_____)



Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

- 4. Is the Property equipped with electronically activated gates? YES NO
5. Have you ever had problems with the any of the above? YES NO

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

12. WATER SUPPLY/PLUMBING SYSTEMS (INCLUDING WATER, NATURAL GAS, AND PROPANE):

- A. Are you aware of any past or present plumbing (including water, natural gas and propane problem)?
B. Has any repair, installation or work relating to water, natural gas or propane systems been undertaken at the Property?
C. To your knowledge, have any plumbed appliances (e.g., refrigerator ice maker/water dispenser, instant hot water) or other plumbing-related systems ever failed to operate properly?
D. Are you aware of any past or present water pipe leakage or flooding in the interior of the Property?
E. Have you ever experienced;
1. High or low water pressure problems at the Property?
2. Any problem with water supply, purity, quality or taste?
3. Excessive delays in drawing hot water to any faucet?
4. Any rust, sediment or discoloration in your water?
5. Any sinks, tubs and/or showers that drain slowly?
F. Does the property have an operating:
1. Water softener?
2. Purification system?
3. Hot water circulating system?
G. Is your water supply fluoridated?

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

There was an issue with Dish Washer & its air gap which caused water flow out of air gap and made the cabinet wet underneath sink. It's fixed by a plumber.

13. WELL/PRIVATE WATER SYSTEM: Not Applicable If Applicable attach PRDS Well/Private Water System Checklist

14. SEWER SYSTEM: Not Applicable

- A. Have you had your waste or sewer lines snaked or rooted within the last 5 years?
B. Are you aware of any past or present blockage, backup, overflow or other failure of the sewer system?
C. Are you aware of any current government-imposed inspection, repair or upgrade requirement (e.g., sewer lateral tests) applicable to the Property?
D. To your knowledge, is the Property equipped with any booster or other pump system related to the sewer system?
E. Have you ever been notified or advised that your sewer line is offset, displaced, collapsing or in need of repair or replacement?

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

15. SEPTIC SYSTEM: Not Applicable

"Septic System" as used herein includes the septic tank, leach lines, drain fields, and all related components.

- A. If you are aware of the material (e.g., concrete, redwood, etc.) of which the septic tank is constructed, describe:
B. Within the last five years, with what frequency has the septic tank been pumped?
C. Are you aware of any past or present blockage, backup, overflow or other failure of the Septic System?
D. To your knowledge, is the Property equipped with any booster or other pump system related to the septic system?
E. Are you aware of any previous repairs, replacements, relocations or expansions of the Septic System?

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Buyer's Initials () ()



Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

- F. Have you ever been notified or advised that any part of your Septic System is in need of replacement or repair for present usage? YES NO
- G. Have you been informed by any advisory, notification, inspection report or other source that:
 - 1. The current Septic System may preclude or limit expansion of living space at the Property? YES NO
 - 2. Soils conditions may preclude or limit expansion of the Septic System? YES NO
- H. Are you aware of any present or contemplated governmental plans, measure, or requirements that:
 - 1. May require hook-up or conversion to a public sewer system? YES NO
 - 2. May require that the septic system be inspected, replaced or upgraded? YES NO

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

16. LANDSCAPING/IRRIGATION:

- A. Does the Property have:
 - 1. A sprinkler system? Manual Automatic None
 - 2. A drip system? Manual Automatic None
 - 3. Exterior landscape lighting? YES NO
 - 4. A pond, waterfall, or other decorative water-related feature? YES NO
 - 5. A play structure? If yes, describe below the anchoring mechanism YES NO
- B. Are you aware of any existing defects, deficiencies or malfunctions in any of the above? YES NO
- C. Are you aware of any repairs, modifications, or replacement to any of the above? YES NO
- D. Does any sprinkler direct (or has it directed) water onto any siding, window or other surface of the structure? YES NO
- E. Are you aware of any diseases or infestations affecting trees or other plantings at or near the Property? If yes, describe below, including any treatment. YES NO
- F. Identify below the gardening service provider, cost, and frequency of service: _____

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

17. SWIMMING POOL/SPA: Not Applicable

- A. Does the pool have a heating system?. Gas Electric Solar Other _____ None
- B. Does the spa have a heating system?. Gas Electric Solar Other _____ None
- C. When was the pool heater last utilized? _____ When was the spa heater last utilized? _____
- D. Identify the pool/spa service provider, cost, frequency, and date last serviced. _____
- E. Are you aware of past or present defects, deficiencies, or malfunctions regarding: the pool and/or spa or related equipment pool and/or spa surfaces decking or coping pool and/or spa alarms lighting, ladders, slides or diving boards pool and/or spa covers or enclosures water leakage from the pool/spa
- F. Any repairs having been performed on the pool, spa, or related equipment? YES NO

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

18. ANIMALS: Are you aware of:

- A. The current or prior presence at the Property or in the neighborhood of: cattle horses mountain lions/bobcats feral or other cats coyotes/wolves/dogs bears racoons/possum/skunks gophers/moles bats squirrels/other rodents turkeys/chickens/ducks crows/pigeons/hawks snakes frogs ants/spiders/other insects noise or odor-generating birds/other animals other _____

For each box checked in Paragraph 18, provide detailed explanation.

- B. Pets or other animals at the Property? YES NO
- If yes, indicate the type or breed, number, and when they were present at the Property.

- C. Animal urine, feces, or spray coming in contact with any walls, flooring, carpets/pads or other interior surfaces? YES NO

Seller's Initials (EG) (ZG)

Buyer's Initials (_____) (_____)



Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

- D. Staining, spotting, discoloration, warping or any other damage to any walls, flooring, carpets/pads or other interior surfaces relating to animal urine, feces, or spray? YES NO
E. Animal-related odors at the Property at any time of the year (e.g., during warm temperatures)? YES NO
F. Ticks, fleas or other pet-related insect problems at the Property? YES NO
G. Any treatment or process employed to eradicate pet-related odors, stains, or other problems? YES NO
H. Animals/pets buried on the property? YES NO

If "yes" is entered as to any of the above or as otherwise applicable, describe (1) the issue and location, (2) repairs or replacements made, (3) who did the work and when, and (4) whether the issue has recurred. Provide all documentation.

19. NEIGHBORHOOD CONDITIONS:

- A. NOISE: Is noise related to any of the following noticeable at the Property? vehicular traffic railroad, train, light rail, BART, or other rail traffic schools or parks aircraft (Note: a city mandated disclosure(s) may be required) construction activity business, recreational, commercial or institutional facilities (e.g., daycare, religious, residential care) entertainment complexes, amphitheaters or other venues music, shouting, parties, sporting or other events events, gatherings or traditions (e.g., parades, block parties, holiday decorations, sporting events) neighbors dogs, cats, birds or other animals power lines, transformers, other electrical power equipment air conditioner, other appliances, generators, or pool equipment adjacent properties, common walls, floors, common areas (e.g., condominiums, PUD, etc.) Other None

B. OTHER NEIGHBORHOOD CONDITIONS: Are you aware of any of the following, whether past or present, on or near the Property:

- 1. Issues related to: in-home businesses local businesses schools religious facilities entertainment or sporting venues traffic congestion excess speed hampered driveway ingress or egress limited or congested on-street parking periodic or seasonal limited parking or traffic congestion loitering Other None
2. Is the Property situated on or near a bus route? YES NO
3. Any ongoing, planned or proposed construction at, on, or within any neighboring property or public facility or right of way? YES NO
4. Odors in the neighborhood that have been noticeable at the Property? YES NO
5. Neighborhood litter or debris that reflects on or otherwise affects the Property? YES NO
6. Burglaries, assaults or other crimes in the neighborhood? YES NO
7. Property or neighborhood conditions or circumstances beyond those referred to above that might reasonably affect the value or desirability of the Property? YES NO
8. Any complaints to police or other governmental authorities regarding any neighborhood condition?.. YES NO

If yes, explain in detail and provide all documents:

20. ENVIRONMENTAL ISSUES: Are you aware of any of the following, whether past or present, on or near the Property?

- A. Asbestos (e.g., in sprayed ceiling materials, furnace ducting, etc.)? YES NO
B. Mold, fungus or spores? YES NO
C. Environmental inspections or tests? YES NO
D. Odors, whether persistent, recurrent, occasional or seasonal? YES NO
E. The manufacture, storage, disposal, release, use or sale of illegal controlled substances, and/or any chemicals or substances used in the manufacture or preparation thereof? YES NO
F. Above-ground or underground storage tank for the purpose of storing of heating oil, gasoline/diesel or any other fluid? YES NO
G. The disposal, leakage or spills of motor oil, heating oil, solvents or other hazardous chemicals or substances from storage tanks or other sources? YES NO
H. The removal of any storage tank? YES NO

For each box checked in Paragraph 20, describe the circumstances and the present status and details of any remediation or cleanup, including the date and any public agency involvement; and provide all permits and documentation.

21. GOVERNMENTAL ISSUES: Are you aware of any of the following, whether past or present, on or applicable to the Property?

- A. The existence or pendency of any applicable rent control ordinance? YES NO
B. Bonds, fees or assessments, current or proposed, that do not appear on the Property Tax bill? YES NO
C. Restrictions on use of the Property other than those imposed by zoning laws or CC&Rs? YES NO

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Buyer's Initials () ()



Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

- D. Existing or contemplated building or other moratoria (e.g., single story overlays) that would apply to the Property? YES NO
- E. Notice or investigation of violation initiated by any governmental authority currently pending or contemplated? YES NO
- F. The existence or pendency of any stop work order, order to abate or notice of code or other violation or dangerous condition? YES NO
- G. Government-imposed requirement or order that brush, trees, grass or other vegetation at the Property be cleared or that flammable materials be removed? YES NO
- H. Government-mandated tree (or other landscaping) planting, removal, replacement, or cutting restrictions? YES NO
- I. Ongoing or contemplated eminent domain, condemnation or annexation process or proceedings? ... YES NO
- J. Current or contemplated construction, reconfiguration, conversion or closure of any nearby schools? ... YES NO
- K. Current or contemplated construction, reconfiguration or closure of nearby roadways, traffic signals or signs? YES NO
- L. Current or contemplated construction, reconfiguration or closure of nearby parks/recreational facilities? YES NO
- M. Is the Property situated in an unincorporated area of the County? YES NO

If yes is entered as to any of the above, explain in detail and provide all documents: _____

22. TITLE/OWNERSHIP/LITIGATION:

- A. Are you aware of:
 - 1. Any use of the Property or a portion of the Property by a non-owner (e.g., as a pathway, driveway, landscaping, etc.)? YES NO
 - 2. Any claim by a non-owner as to an ownership interest or right to possess or use the Property or.. any part of the Property (e.g., license, prescriptive easement)? YES NO
 - 3. Current or contemplated legal proceedings (e.g., probate, trust, guardianship, quiet title, specific performance)? YES NO
 - 4. Perimeter fences, walls or other constructed or natural borders relating to the Property that may be situated off the true Property line? YES NO
 - 5. Encroachment from a neighboring property onto the subject Property or from the subject Property onto a neighboring property (e.g., fences, walls, structures or other improvements)? YES NO
 - 6. Any lease or rental agreement that is, or is claimed to be, currently in effect? YES NO
- B. Is access to the Property a shared driveway or private road? YES NO
 - 1. If yes, indicate whether there are any agreements relating to use, ownership or maintenance. (If written, provide copy or if oral, describe below.)
 - 2. Have there been any disputes, disagreements or failures to perform? YES NO
- C. Do you have or intend to utilize a power of attorney in conjunction with the sale of the Property? YES NO

If yes is entered as to any of the above, explain in detail and provide all documents: _____

23. HOMEOWNER'S INSURANCE COVERAGE AND CLAIMS HISTORY:

- A. Within the past five years have there been any insurance claims made by you or anyone else relating to the Property? If yes, identify the following as to each claim (use additional pages, if necessary): YES NO

Name of Claimant _____ Insurance Company _____
 Policy Number _____ Approximate Date of Claim _____
 Nature of the claim, and how resolved, if known _____
- B. Within the past five years has any insurance company refused to issue or renew any policy of insurance relating to the Property? If yes, please indicate the following (use additional pages, if necessary): YES NO

Approximate date of such refusal _____ Insurance Company _____
 The basis of the refusal, if known _____
- C. Apart from any other insurance requirements, has your lender required you to carry flood or earthquake insurance? YES NO

If yes is entered as to any of the above, explain in detail and provide all documents: _____

24. GENERAL: Are you aware of:

- A. Any of the following having been filled in, removed, abandoned or not in use at the Property? pool/spa pond septic tank/pit leach line/field oil, gas or water tank well related equipment None
- B. Any fire, interior or exterior (including chimney flue fire), having ever occurred at the Property? YES NO

Seller's Initials (KK) (26)
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Buyer's Initials (_____) (_____)
Form RSSCL Rev 11/12



Property: 380 Colorado Ave. Palo Alto Date: 05/26/15

- C. Any appliances or any electrical, plumbing or other systems (e.g., heating/A/C, etc.) or any areas of the Property that have not been used within the past twelve months? YES NO
- D. Any exterior locks without keys? If yes, identify below..... YES NO
- E. A notice of default recorded against the Property? YES NO
- F. Whether the Property is presently subject or soon to be made subject to the jurisdiction of the federal bankruptcy court? YES NO
- G. The Property being designated as "historic"? YES NO
- H. Any death, natural or otherwise, having occurred anywhere on the Property within the past three years? YES NO

If yes is entered as to any of the above, explain in detail and provide all documents: _____

25. ADDITIONAL INFORMATION NOT OTHERWISE DISCLOSED ABOVE (Use additional sheet, if necessary):

The lower part of stair railing ^{posts} was hit by a mover during our move out. It was shaking a little. ~~that~~ We asked a contractor Frank Leung to re-secure both posts and balusters. It's fixed and felt the same as before.

There is a tiny chip on the edge of granite of kitchen island. It is at the lower edge of kitchen sink. It's almost invisible but you can feel it by touching ~~it~~.

Seller certifies that the information set forth in this document is true and correct to the best of Seller's knowledge as of the date signed below:

Date 7/26/15 Seller Kui Zhao Seller [Signature]
(print name)

Date 7/26/15 Seller Zhao Guo Seller [Signature]
(print name)

Buyer hereby acknowledges receipt of a copy of this document:

Date _____ Buyer _____ Buyer _____
(print name)

Date _____ Buyer _____ Buyer _____
(print name)

TO WHOM IT MAY CONCERN

I have received a copy of the following booklet from the Broker(s) in this transaction: "Homeowner's Guide to Earthquake Safety & Environmental Hazards" a combination of "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants" including toxic mold, "Protect Your Family From Lead in Your Home", and "The Homeowner's Guide to Earthquake Safety" including natural gas safety.

Property Address: 380 Colorado Ave., Palo Alto

Date: 5/28/2015

DocuSigned by:
Zhuo Gao
-08BDE04FC1743A...
Kai Zhao
-171058E84FAF487...

Seller Signature: _____ Seller Printed Name: Zhuo Gao Kai Zhao

Selling Broker: _____ Listing Broker: Keller Williams

Selling Agent: _____ Listing Agent: DocuSigned by:
Len Bowling
-CE2BCE1ECB69482...

TO WHOM IT MAY CONCERN

I have received a copy of the following booklet from the Broker(s) in this transaction: "Homeowner's Guide to Earthquake Safety & Environmental Hazards" a combination of "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants" including toxic mold, "Protect Your Family From Lead in Your Home", and "The Homeowner's Guide to Earthquake Safety" including natural gas safety.

Property Address: _____

Date: _____

Buyer Signature: _____ Buyer Printed Name: _____

Selling Broker: _____ Listing Broker: Keller Williams

Selling Agent: _____ Listing Agent: DocuSigned by:
Len Bowling
-CE2BCE1ECB69482...



CALIFORNIA
ASSOCIATION
OF REALTORS®

BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA-A, Revised 10/02)

Property Address: 380 Colorado Ave., Palo Alto, CA

("Property").

A. IMPORTANCE OF PROPERTY INVESTIGATION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, you should conduct thorough investigations of the Property personally and with professionals who should provide written reports of their investigations. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.

B. BUYER RIGHTS AND DUTIES: You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. The purchase agreement gives you the right to investigate the Property. If you exercise this right, and you should, you must do so in accordance with the terms of that agreement. This is the best way for you to protect yourself. It is extremely important for you to read all written reports provided by professionals and to discuss the results of inspections with the professional who conducted the inspection. You have the right to request that Seller make repairs, corrections or take other action based upon items discovered in your investigations or disclosed by Seller. If Seller is unwilling or unable to satisfy your requests, or you do not want to purchase the Property in its disclosed and discovered condition, you have the right to cancel the agreement if you act within specific time periods. If you do not cancel the agreement in a timely and proper manner, you may be in breach of contract.

C. SELLER RIGHTS AND DUTIES: Seller is required to disclose to you material facts known to him/her that affect the value or desirability of the Property. However, Seller may not be aware of some Property defects or conditions. Seller does not have an obligation to inspect the Property for your benefit nor is Seller obligated to repair, correct or otherwise cure known defects that are disclosed to you or previously unknown defects that are discovered by you or your inspectors during escrow. The purchase agreement obligates Seller to make the Property available to you for investigations.

D. BROKER OBLIGATIONS: Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as soil stability, geologic or environmental conditions, hazardous or illegal controlled substances, structural conditions of the foundation or other improvements, or the condition of the roof, plumbing, heating, air conditioning, electrical, sewer, septic, waste disposal, or other system. The only way to accurately determine the condition of the Property is through an inspection by an appropriate professional selected by you. If Broker gives you referrals to such professionals, Broker does not guarantee their performance. You may select any professional of your choosing. In sales involving residential dwellings with no more than four units, Brokers have a duty to make a diligent visual inspection of the accessible areas of the Property and to disclose the results of that inspection. However, as some Property defects or conditions may not be discoverable from a visual inspection, it is possible Brokers are not aware of them. If you have entered into a written agreement with a Broker, the specific terms of that agreement will determine the nature and extent of that Broker's duty to you. **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.**

E. YOU ARE ADVISED TO CONDUCT INVESTIGATIONS OF THE ENTIRE PROPERTY, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:

- 1. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof, plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa, other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property. (Structural engineers are best suited to determine possible design or construction defects, and whether improvements are structurally sound.)
- 2. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. (Professionals such as appraisers, architects, surveyors and civil engineers are best suited to determine square footage, dimensions and boundaries of the Property.)
- 3. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms and other infestation or infection. 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. A registered structural pest control company is best suited to perform these inspections.
- 4. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage. (Geotechnical engineers are best suited to determine such conditions, causes and remedies.)

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BIA-A REVISED 10/02 (PAGE 1 OF 2)

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



BUYER'S INSPECTION ADVISORY (BIA-A PAGE 1 OF 2)

Agent: Lan Bowling

Phone: (650)520-3407

Fax:

Prepared using zipForm® software

Broker: Keller Williams Realty, 505 Hamilton Ave., Suite 100 Palo Alto, CA 94301

Property Address: 380 Colorado Ave., Palo Alto, CA

Date: _____

5. **ROOF:** Present condition, age, leaks, and remaining useful life. (Roofing contractors are best suited to determine these conditions.)
6. **POOL/SPA:** Cracks, leaks or operational problems. (Pool contractors are best suited to determine these conditions.)
7. **WASTE DISPOSAL:** Type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
8. **WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components.
9. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants). (For more information on these items, you may consult an appropriate professional or read the booklets "Environmental Hazards: A Guide for Homeowners, Buyers, Landlords and Tenants," "Protect Your Family From Lead in Your Home" or both.)
10. **EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood. (A Geologist or Geotechnical Engineer is best suited to provide information on these conditions.)
11. **FIRE, HAZARD AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies. (An insurance agent is best suited to provide information on these conditions.)
12. **BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size. (Such information is available from appropriate governmental agencies and private information providers. Brokers are not qualified to review or interpret any such information.)
13. **RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants; and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements. (Government agencies can provide information about these restrictions and other requirements.)
14. **SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property may not be in compliance with these requirements. (Local government agencies can provide information about these restrictions and other requirements.)
15. **NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, 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 commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

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 each acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyer is encouraged to read it carefully.

Buyer Signature _____ Date _____
Alvin Gao 5/28/2015

Buyer Signature _____ Date _____
Kai Zhao 5/29/2015

Seller Signature _____ Date _____

Seller Signature _____ Date _____

THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

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Reviewed by _____ Date _____





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CERTIFICATION OF COMPLIANCE WITH WATER HEATER, SMOKE DETECTOR AND CARBON MONOXIDE DEVICE REQUIREMENTS



Property: 380 Colorado Ave. Palo Alto

WATER HEATER COMPLIANCE

For purposes of reducing the serious threat of fire, explosion or electrocution resulting from water heaters that may overturn or suffer damage in an earthquake, California Health and Safety Code sections 19211 and 19212 require that all water heaters, whether new or old, be braced, anchored or strapped to resist falling or horizontal displacement due to seismic motion. **There are no exceptions to this requirement.** Compliance must be certified at the point of transfer of title or at the commencement of the Lease.

While the California Plumbing Code provides specific guidance as to the manner and means of securing water heaters, Seller/Owner is advised that different or additional requirements may be imposed by local ordinance. Seller/Owner is, therefore, encouraged to inquire of local code enforcement officers in regard thereto and to engage a competent plumber or other building professional to undertake any needed action and to assure compliance.

Seller/Owner hereby certifies that the Property is presently in compliance, or by close of escrow or at the commencement of the Lease shall have been brought into compliance, with the above-referenced requirements regarding water heater bracing, anchoring and strapping.

5/29/2015

Date: _____

Seller/Owner: *Kai Zhao*
DocuSigned by: Kai Zhao
17105BE94FAF487...

Seller/Owner: *Alvin Gao*
DocuSigned by: Alvin Gao
08BDED4CFC1743A...

SMOKE DETECTOR AND CARBON MONOXIDE DEVICE COMPLIANCE

Dwelling units (including, without limitation, single family residences) intended for human occupancy are, upon transfer of title (or in the case of a lease), required to be equipped with operable smoke detector(s) and, as of July 1, 2011, carbon monoxide device(s) of the type and in a manner specified by the State Fire Marshall. Compliance must be certified by close of escrow or at commencement of the lease. California Health & Safety Code section 13113.7 and 13260, et seq. Local ordinances and building codes may add additional requirements and should be consulted as to where (i.e., what placement within sleeping areas, hallways leading to sleeping areas, within staircases, etc.) smoke detector(s) and carbon monoxide device(s) should be located for optimal performance and for full code compliance.

Seller/Owner hereby certifies that the Property is presently in compliance, or by close of escrow or at the commencement of the Lease shall have been brought into compliance, with the above-referenced requirements regarding the installation of operable smoke detectors and carbon monoxide devices.

5/28/2015

Date: _____

Seller/Owner: *Alvin Gao*
DocuSigned by: Alvin Gao
08BDED4CFC1743A...

Seller/Owner: *Kai Zhao*
DocuSigned by: Kai Zhao
17105BE94FAF487...

Buyer/Tenant hereby acknowledges receipt of a copy of the above certification(s).

Date: _____

Buyer/Tenant: _____

Buyer/Tenant: _____



PRDS® LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS DISCLOSURE AND ACKNOWLEDGMENT



www.prdsforms.com

This Disclosure applies to the Real Estate Purchase Lease/Rental Contract ("Contract") for 380 Colorado Ave.

City of Palo Alto County of Santa Clara, California ("Property").

LEAD WARNING STATEMENT

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

LEASE: Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips and dust can pose health hazards if not managed properly.

1. SELLER/LESSOR DISCLOSURE

- a) Seller/Lessor has no knowledge of lead-based paint and/or lead-based paint hazards at the Property other than as follows:
b) Seller/Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards at the Property that have been received by Buyer/Lessee or are provided as an attachment (please list reports), other than as follows:
c) Buyer/Lessee has received, or is receiving as an attachment hereto, the pamphlet "Protect Your Family From Lead In Your Home" or an equivalent booklet approved for Federal and State use.
d) Sales Transactions Only: Buyer shall have ten days from Acceptance (unless otherwise agreed in the Contract) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards before becoming obligated to purchase the Property.

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

Date: 5/29/2015 Seller/Lessor: Kai Zhao (PRINTED NAME)
Date: 5/28/2015 Seller/Lessor: Zhuo Gao (PRINTED NAME)

2. ACKNOWLEDGMENT BY AGENT FOR SELLER/LESSOR

Agent has informed Seller/Lessor of Seller's/Lessor's obligations under 42 U.S.C. §4852(d) and is aware of said Agent's duty to ensure compliance.

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

Date: 05/28/15 Seller's/Lessor's Agent: Lan Bowling (PRINTED NAME)
Print Name: Lan Bowling Company Name: Keller Williams

3. BUYER/LESSEE ACKNOWLEDGMENT

- a) I (we) have received the "Lead Warning Statement" above.
b) I (we) have received the pamphlet "Protect Your Family From Lead In Your Home" or an equivalent pamphlet approved for Federal and State use.
c) Sales Transactions Only: Buyer acknowledges a right (exercisable within ten days of Acceptance, unless otherwise agreed in the Contract) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards before becoming obligated to purchase the Property.

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

Date: Buyer/Lessee: (SIGNATURE) (PRINTED NAME)
Date: Buyer/Lessee: (SIGNATURE) (PRINTED NAME)

4. ACKNOWLEDGMENT BY AGENT FOR BUYER/LESSEE

Agent has informed Seller/Lessor (through Seller's/Lessor's Agent, if the Property is listed), of Seller's/Lessor's obligations under 42 U.S.C. §4852(d) and is aware of the duty of Agent for Buyer/Lessee to ensure compliance.

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

Date: Buyer's/Lessee's Agent: (SIGNATURE)
Print Name: Company Name:



PRELIMINARY REPORT

*In response to the application for a policy of title insurance referenced herein, **Chicago Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.*

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(ies) of title insurance to be issued hereunder will be policy(ies) of Chicago Title Insurance Company, a Nebraska corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Chicago Title Insurance Company

By:

President

Attest:

Secretary

Countersigned By:

Authorized Officer or Agent



Visit Us on our Website: www.ctic.com



ISSUING OFFICE: 675 North First Street, Suite 400, San Jose, CA 95112

FOR SETTLEMENT INQUIRIES, CONTACT:
Chicago Title Company
496 First St., Ste 110 • Los Altos, CA 94022
(650)949-3694 • FAX (650)948-7676

**Another Prompt Delivery From Chicago Title Company Title Department
Where Local Experience And Expertise Make A Difference**

PRELIMINARY REPORT

Title Officer: Kathy Basmajian
Title No.: FWPS-2999150984-KMB

Escrow Officer: Dawn McCahan
E-Mail: Dawn.McCahan@ctt.com

READ AND APPROVE
Escrow No. FWPS-2999150984 -DM

TO: Keller Williams
505 Hamilton Avenue
Palo Alto, CA 94301
Attn: Lan Bowling

SIGNATURE _____
SIGNATURE _____
DATE _____

PROPERTY ADDRESS(ES): 380 Colorado Ave, Palo Alto, CA

EFFECTIVE DATE: May 21, 2015 at 07:30 AM

The form of policy or policies of title insurance contemplated by this report is:

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:
A Fee
2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:
Kai Zhao and Zhuo Gao, husband and wife as community property with right of survivorship
3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 132-13-068

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF PALO ALTO, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

ALL OF LOTS 18 AND 19 AND A PORTION OF COLORADO AVENUE, FORMERLY STANFORD AVENUE (NOW ABANDONED) IN BLOCK 30 AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP NO. 1 STANFORD CITY" WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON MAY 3, 1910 IN BOOK M OF MAPS AT PAGE 97 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF COLORADO AVENUE, FORMERLY STANFORD AVENUE AS THE SAME NOW EXISTS 60.00 FEET IN WIDTH, WHERE THE SAME IS INTERSECTED BY THE NORTHWESTERLY PROLONGATION OF THE DIVIDING LINE BETWEEN LOTS 19 AND 20 IN BLOCK 30 AS SAID LOTS AND BLOCK ARE SHOWN UPON THE MAP ABOVE REFERRED TO; RUNNING THENCE SOUTHWESTERLY ALONG THE SAID SOUTHEASTERLY LINE OF COLORADO AVENUE 50.00 FEET TO THE INTERSECTION THEREOF, WITH THE PROLONGATION NORTHWESTERLY OF THE DIVIDING LINE BETWEEN LOTS 17 AND 18 IN SAID BLOCK 30; RUNNING THENCE SOUTHEASTERLY ALONG SAID PROLONGED LINE AND ALONG THE SAID DIVIDING LINE BETWEEN LOTS 17 AND 18, FOR A DISTANCE OF 110.00 FEET TO THE SOUTHERLY COMMON CORNER THEREOF; RUNNING THENCE NORTHEASTERLY ALONG THE SOUTHEASTERLY LINE OF SAID LOTS 18 AND 19 FOR A DISTANCE OF 50.00 FEET TO THE SOUTHERLY CORNER FOR SAID LOTS 19 AND 20; RUNNING THENCE NORTHWESTERLY ALONG THE SAID DIVIDING LINE BETWEEN LOTS 19 AND 20 AND ITS PROLONGATION NORTHWESTERLY 110.00 FEET TO THE POINT OF BEGINNING.

AT THE DATE HEREOF, EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

- 1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2015-2016.
- 2. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.
- 3. Any liens or other assessments, bonds, or special district liens including without limitation, Community Facility Districts, that arise by reason of any local, City, Municipal or County Project or Special District.
- 4. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording Date: March 29, 1937
Recording No: Book 814, Page 520, of Official Records.

- 5. A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$1,499,000.00
Dated: November 5, 2014
Trustor/Grantor: Kai Zhao and Zhuo Gao, husband and wife as community property with right of survivorship
Trustee: First American Title
Beneficiary: Mortgage Electronic Registration Systems, Inc. (MERS), solely as nominee for HSBC Bank USA, N.A.
Loan No.: Not Shown
Recording Date: November 13, 2014
Recording No.: 22766639, of Official Records.

END OF EXCEPTIONS

NOTES

- Note 1.** Note: The name(s) of the proposed insured(s) furnished with this application for title insurance is/are:

No names were furnished with the application. Please provide the name(s) of the buyers as soon as possible.
- Note 2.** Property taxes, property taxes for the fiscal year shown below are PAID. For proration purposes the amounts were:
- | | |
|--------------------|--------------|
| Tax ID No.: | 132-13-068 |
| Fiscal Year: | 2014-2015 |
| 1st Installment: | \$10,692.93 |
| 2nd Installment: | \$10,692.93 |
| Exemption: | \$7,000.00 |
| Land: | \$987,641.00 |
| Improvements: | \$763,450.00 |
| Personal Property: | \$0.00 |
| Code Area: | 006-001 |
- Note 3.** Note: The Company is not aware of any matters which would cause it to decline to attach CLTA Endorsement Form 116 indicating that there is located on said Land a Single Family Residence, known as 380 Colorado Avenue, Palo Alto, California, to an Extended Coverage Loan Policy.
- Note 4.** Note: The City of Palo Alto imposes a transfer tax of \$3.30 per thousand, based on the full value of the property at the time a deed or other transfer is recorded. This is in addition to the \$1.10 per thousand County transfer tax.
- Note 5.** Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
- Note 6.** The County of Santa Clara imposes a Monument Preservation fee of \$10.00 for the recording of any Deed with a legal description other than an entire lot as shown on recorded final map.
- Note 7.** If a county recorder, title insurance company, escrow company, real estate agent or association provides a copy of the declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold faced typed and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.
- Note 8.** Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirements cannot be met, please call the company at the number provided in this report.

NOTES
(continued)

- Note 9.** Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.

END OF NOTES

**FIDELITY NATIONAL FINANCIAL
PRIVACY NOTICE
Effective: May 1, 2015**

Order No.: FWPS-2999150984--DM

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, "FNF", "our" or "we") respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice. The provision of this Privacy Notice to you does not create any express or implied relationship, or create any express or implied duty or other obligation, between Fidelity National Financial, Inc. and you. See also **No Representations or Warranties** below.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the "Website"). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

How Information is Collected

The types of personal information FNF collects may include, among other things (collectively, "Personal Information"): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver's license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a "cookie" to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive and that can be re-sent to the serving website on subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website

and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the **Third Party Opt Out** section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as "clear gifs"). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the **Third Party Opt Out** section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of certain online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at <http://www.networkadvertising.org/>.
- You can opt-out via the Consumer Choice Page at www.aboutads.info.
- For those in the U.K., you can opt-out via the IAB UK's industry opt-out at www.youronlinechoices.com.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

Use of Personal Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, "Third Parties") who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF's, FNF's affiliates and third parties' products and services.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for

any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information From Children

We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children – or others – in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices With Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization unless you affirmatively consent to such disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section "Additional Ways That Information Is Collected Through the Website," subsection "Third Party Opt Out."

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California's "Shine the Light" law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2015 will receive information regarding 2014 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with "Request for California Privacy Information" in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the "Shine the Light" requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California's Online Privacy Protection Act requires us to disclose how we respond to "do not track" requests and other similar mechanisms. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

FNF Compliance with California Online Privacy Protection Act

For some websites which FNF or one of its companies owns, such as the Customer CareNet ("CCN"), FNF is acting as a third party service provider to a mortgage loan servicer. In those instances, we may collect certain information on behalf of that mortgage loan servicer for fulfilling a service to that mortgage loan servicer. For example, you may access CCN to complete a transaction with your mortgage loan servicer. During this transaction, the information which we may collect on behalf of the mortgage loan servicer is as follows:

- First and Last Name
- Property Address
- User Name
- Password
- Loan Number
- Social Security Number - masked upon entry
- Email Address
- Three Security Questions and Answers
- IP Address

The information you submit is then transferred to your mortgage loan servicer by way of CCN.

The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through this website. For example, if you believe that your payment or user information is incorrect, you must contact your mortgage loan servicer.

CCN does not share consumer information with third parties, other than those with which the mortgage loan servicer has contracted to interface with the CCN application.

All sections of the FNF Privacy Notice apply to your interaction with CCN, except for the sections titled Choices with Your Personal Information and Access and Correction. If you have questions regarding the choices you have with regard to your personal information or how to access or correct your personal information, you should contact your mortgage loan servicer.

No Representations or Warranties

By providing this Privacy Notice, Fidelity National Financial, Inc. does not make any representations or warranties whatsoever concerning any products or services provided to you by its majority-owned subsidiaries. In addition, you also expressly agree that your use of the Website is at your own risk. Any services provided to you by Fidelity National Financial, Inc. and/or the Website are provided "as is" and "as available" for your use, without representations or warranties of any kind, either express or implied, unless such warranties are legally incapable of exclusion. Fidelity National Financial, Inc. makes no representations or warranties that any services provided to you by it or the Website, or any services offered in connection with the Website are or will remain uninterrupted or error-free, that defects will be corrected, or that the web pages on or accessed through the Website, or the servers used in connection with the Website, are or will remain free from any viruses, worms, time bombs, drop dead devices, Trojan horses or other harmful components. Any liability of Fidelity National Financial, Inc. and your exclusive remedy with respect to the use of any product or service provided by Fidelity National Financial, Inc. including on or accessed through the Website, will be the re-performance of such service found to be inadequate.

Your Consent To This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: MAY 1, 2015

ATTACHMENT ONE

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**ATTACHMENT ONE
(CONTINUED)**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)**

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

ATTACHMENT ONE (CONTINUED)

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19 and 21, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5,000.00

**ATTACHMENT ONE
(CONTINUED)**

**AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)**

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:

- land use
- improvements on the land
- land division
- environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at policy date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:

- a notice of exercising the right appears in the public records on the Policy Date
- the taking happened prior to the Policy Date and is binding on you if you bought the land without knowledge of the taking

3. Title Risks:

- that are created, allowed, or agreed to by you
- that are known to you, but not to us, on the Policy Date-unless they appeared in the public records
- that result in no loss to you
- that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4. Failure to pay value for your title.

5. Lack of a right:

- to any land outside the area specifically described and referred to in Item 3 of Schedule A

or

- in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

**ATTACHMENT ONE
(CONTINUED)**

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

**ATTACHMENT ONE
(CONTINUED)**

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

**ATTACHMENT ONE
(CONTINUED)**

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the filed rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for such discount. These discounts only apply to transactions involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

Not all discounts are offered by every FNF Company. The discount will only be applicable to the FNF Company as indicated by the named discount.

FNF Underwritten Title Companies

CTC – Chicago Title Company
CLTC – Commonwealth Land Title Company
FNTC – Fidelity National Title Company
FNTCCA – Fidelity National Title Company of California
TICOR – Ticor Title Company of California
LTC – Lawyer's Title Company

Underwritten by FNF Underwriters

CTIC – Chicago Title Insurance Company
CLTIC – Commonwealth Land Title Insurance Company
FNTIC – Fidelity National Title Insurance Company
FNTIC – Fidelity National Title Insurance Company
CTIC – Chicago Title Insurance Company
CLTIC – Commonwealth Land Title Insurance Company

Available Discounts

DISASTER LOANS (CTIC, CLTIC, FNTIC)

The charge for a Lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within twenty-four (24) months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be fifty percent (50%) of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (CTIC, FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church's obligation the charge for an owner's policy shall be fifty percent (50%) to seventy percent (70%) of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be thirty-two percent (32%) to fifty percent (50%) of the appropriate title insurance rate, depending on the type of coverage selected.

PRELIMINARY REPORT TOP SHEET

Help us stay on top of your transaction!

WILL ANY OF THE SITUATIONS AFFECT YOUR TRANSACTION?

- Are your principals exchanging this property? Yes No
- Will your principals be using a power of attorney? Yes No
- Are any of the parties in title deceased? Yes No
- Has there been a change in marital status? Yes No
- Will there be a new entity formed?
ie., partnership or corporation. Yes No
- Are the sellers of this property non-residents of California? Yes No

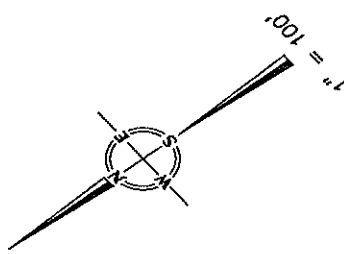
**If you answered "YES" to any of these questions,
Please call your Escrow Officer.**

- Do all parties signing document have valid
photo I.D. or drivers license? Yes No

If "No", now is the time to apply for valid I.D.

This is a "Quick List", call your Escrow Officer if you have additional information that you think may be important, or if you have any questions.

**Thank you for choosing
Chicago Title Company**

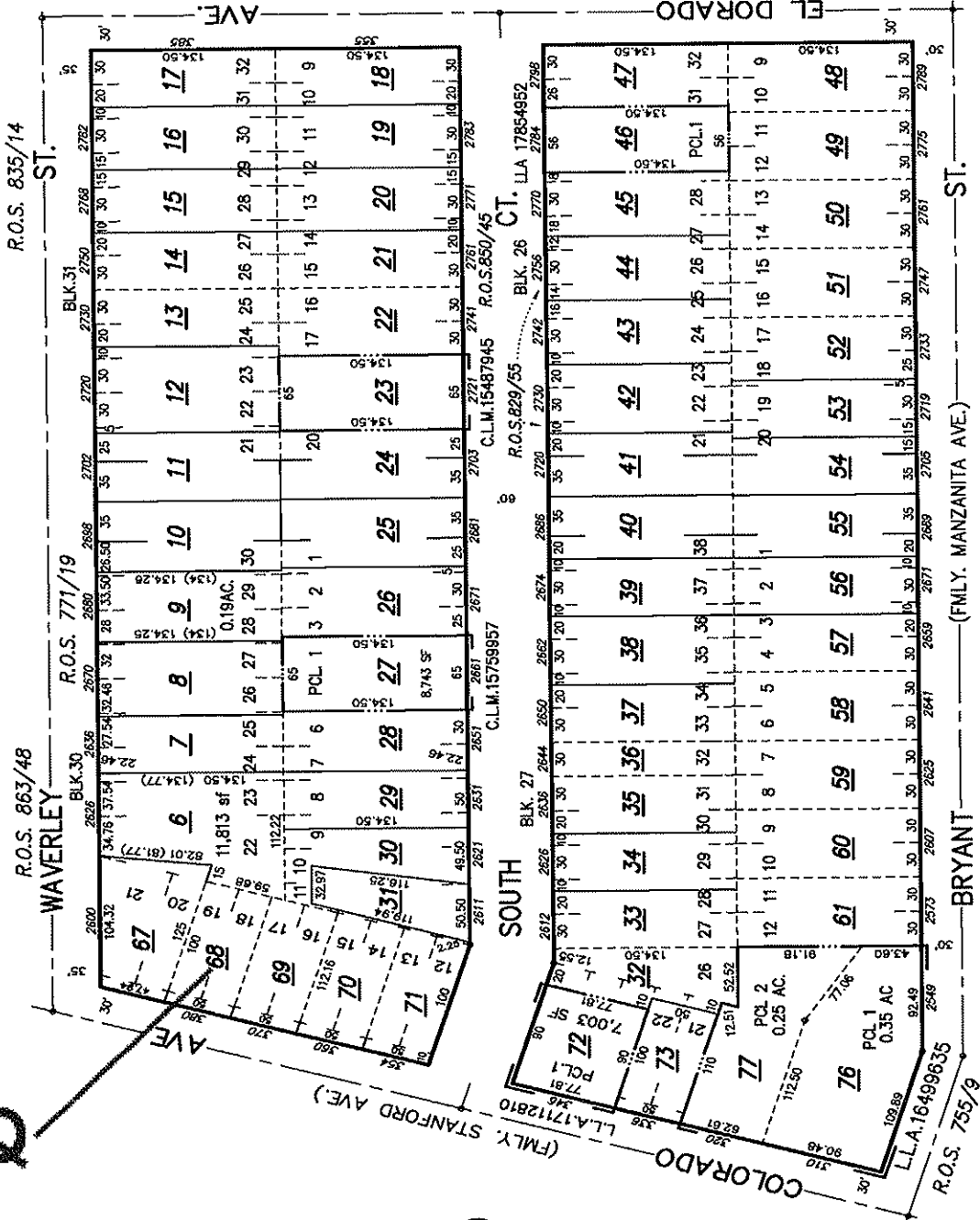


OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

(8)

STANFORD CITY—MAP NO. 1
BK. M PG. 97

Q



(12)

(14)

(18)

This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances

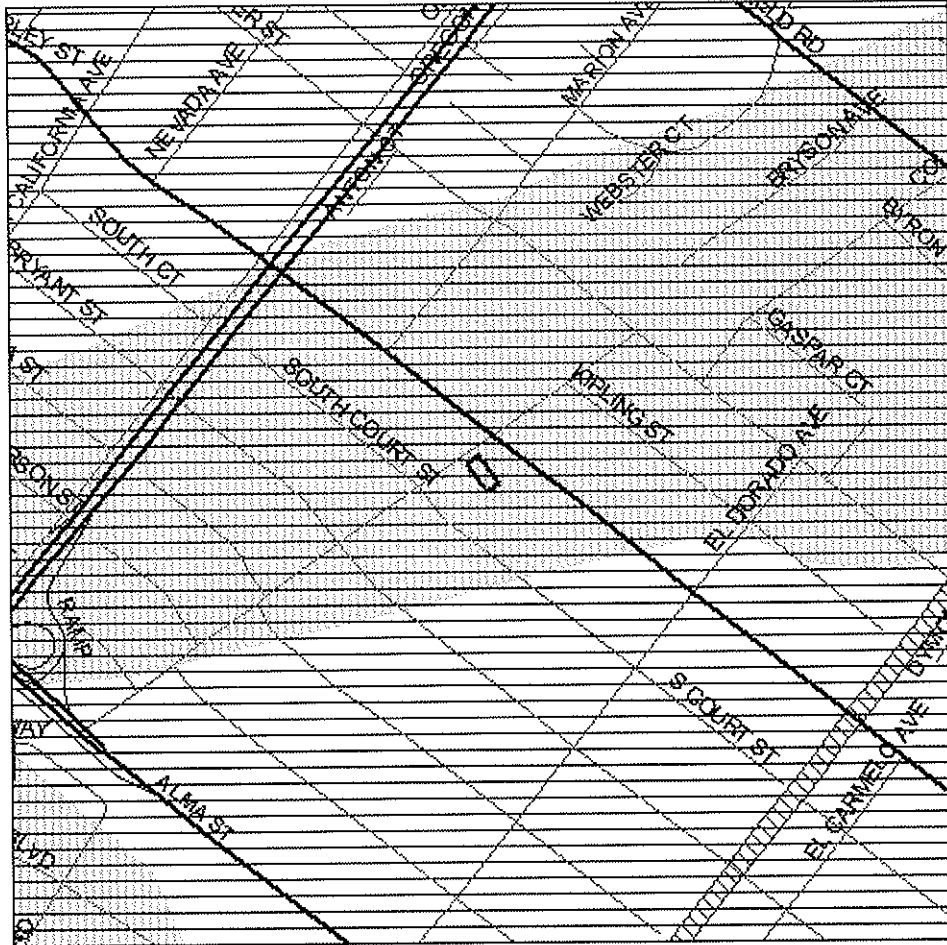


Map of Statutory Natural Hazards For SANTA CLARA County

Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA COUNTY, CA 94306
("Property")

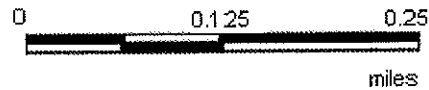
APN: 132-13-068
Report Date: 05/28/2015
Report Number: 1730985

Map of Statutory Natural Hazard Zones



□ Subject Property

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



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

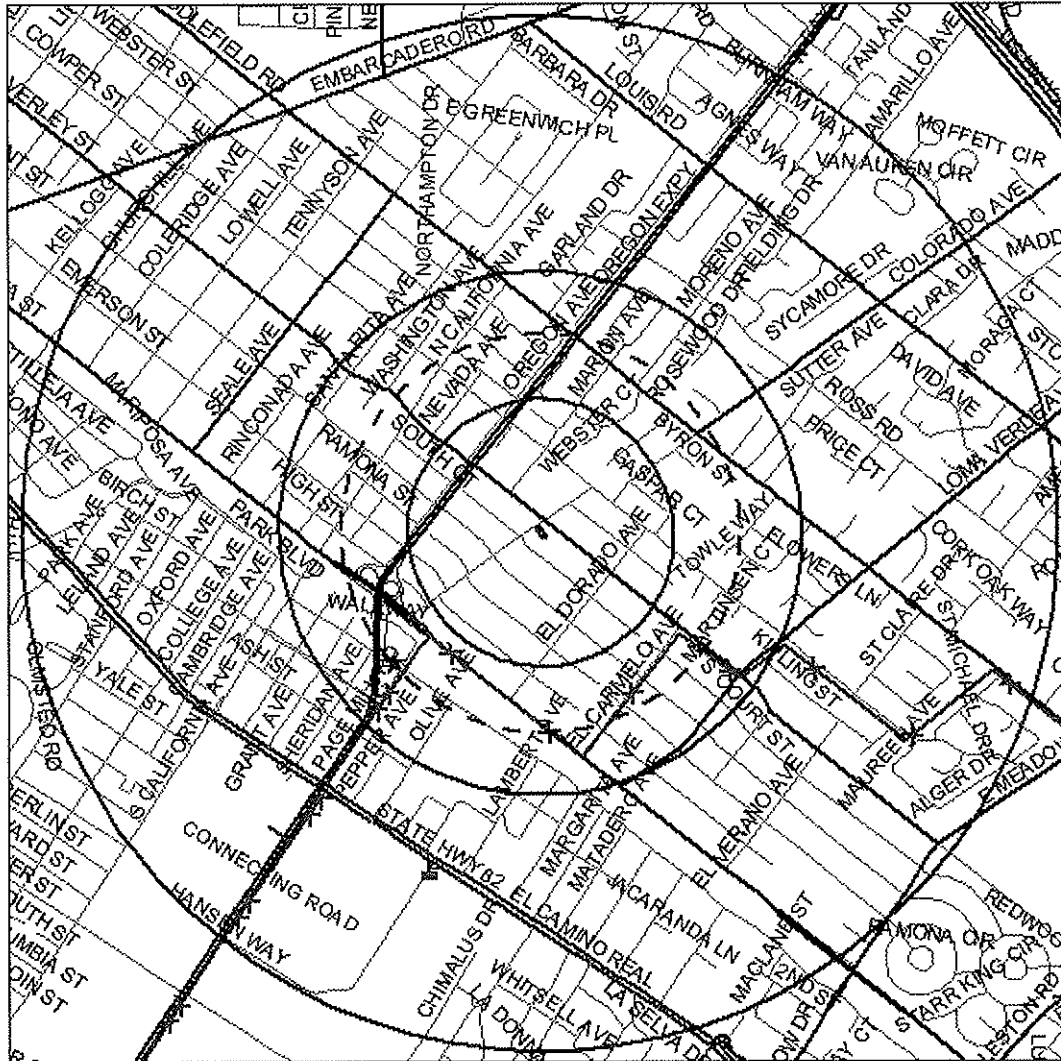


Map of Environmental Hazard Sites For SANTA CLARA County

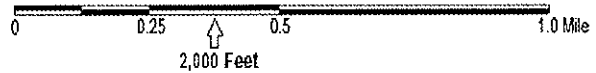
Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA COUNTY, CA 94306
("Property")

APN: 132-13-068
Report Date: 05/28/2015
Report Number: 1730985

Map of Environmental Hazard Sites



□ Subject Property



NOTE: The foregoing map may show more sites than are reported in the listing below. The map shows all sites found within the square coverage area. The listing below reports only those sites found within the standard radius search distance for the database listed, which covers a smaller area. Sites outside of that standard radius search distance are not listed below. The standard radius search distances for point sources are defined by the U.S. Environmental Protection Agency's "All Appropriate Inquiries" (AAI) guidelines. The AAI standard search distance differs between database categories, depending upon degree of potential hazard. Pipeline search distance (2,000 feet, red dashed circle on map) complies with U.S. bill H.R. 22 (Speier). See section called "Explanation of Databases Used" for the actual standard search distance used for each database category.

	(NPL) Federal National Priorities List or "Superfund" Sites		(SWIS) Solid Waste Landfill Facilities
	(RCRA COR) Corrective Action Sites		(SLIC) Spills, Leaks, Investig. & Cleanup
	(LUST) Leaking Underground Storage Tanks		California EnviroStor State Response Sites
	Oil or Gas Well		Gas Transmission Pipelines (Approximate)
	Hazardous Liquid Pipelines (Approximate)		



JCP-LGS Residential Property Disclosure Reports

Natural Hazard Disclosure (NHD) Report For SANTA CLARA County

Property Address: 380 COLORADO AVE PALO ALTO, SANTA CLARA COUNTY, CA 94306 ("Property")

APN: 132-13-068 Report Date: 05/28/2015 Report Number: 1730985

Statutory Natural Hazard Disclosure ("NHD") Statement and Acknowledgment of Receipt

The transferor and his or her agent(s) or a third-party consultant disclose the following information with the knowledge that even though this is not a warranty, prospective Transferees may rely on this information in deciding whether and on what terms to purchase the Property.

The following are representations made by the transferor and his or her agent(s) based on their knowledge and maps drawn by the State. This information is a disclosure and is not intended to be part of any contract between the transferee and the transferor. THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZARDOUS AREA(S):

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

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

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

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

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

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

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

Signature of Transferor(s) Date 5/28/2015 Signature of Agent Date 5/28/2015

- Transferor(s) and their agent(s) represent that the information herein is true and correct to the best of their knowledge as of the date signed by the transferor(s) and agent(s).
[X] Transferor(s) and their agent(s) acknowledge that they have exercised good faith in the selection of a third-party report provider as required in Civil Code Section 1103.7, and that the representations made in this Natural Hazard Disclosure Statement are based upon information provided by the independent third-party disclosure provider as a substituted disclosure pursuant to Civil Code Section 1103.4.

Third-Party Disclosure Provider(s) FIRST AMERICAN PROFESSIONAL REAL ESTATE SERVICES, INC. Date 28 May 2015

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

Signature of Transferee(s) Date Signature of Transferee(s) Date

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

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



Contents For SANTA CLARA County

Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA COUNTY, CA 94306
("Property")

APN: 132-13-068
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JCP-LGS Residential Property Disclosure Reports

Summary of Disclosure Determinations For SANTA CLARA County

Property Address: 380 COLORADO AVE
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("Property")

APN: 132-13-068
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PROPERTY DISCLOSURE SUMMARY - READ FULL REPORT

Statutory NHD Determinations	IN	NOT IN	Map N/A*	Property Is:	NHD Report page:
Flood		X		NOT IN a Special Flood Hazard Area. The Property is IN a FEMA-designated Flood Zone X500.	<u>7</u>
Dam	X			IN an area of potential dam inundation.	<u>7</u>
Very High Fire Hazard Severity		X		NOT IN a very high fire hazard severity zone.	<u>8</u>
Wildland Fire Area		X		NOT IN a state responsibility area.	<u>8</u>
Fault		X		NOT IN an earthquake fault zone designated pursuant to the Alquist-Priolo Act.	<u>9</u>
Landslide		X		NOT IN an area of earthquake-induced land sliding designated pursuant to the Seismic Hazard Mapping Act.	<u>9</u>
Liquefaction	X			IN an area of potential liquefaction designated pursuant to the Seismic Hazard Mapping Act.	<u>9</u>

County-level NHD Determinations	IN	NOT IN	Map N/A*	Property Is:	NHD Report page:
Fault		X		NOT IN a county-designated fault rupture hazard zone	<u>11</u>
Landslide		X		NOT IN a county-designated landslide hazard zone	<u>11</u>
Liquefaction	X			IN a county-designated liquefaction hazard zone	<u>11</u>
Compressible Soils		X		NOT IN a county-designated compressible soils hazard zone	<u>11</u>
Dike Failure		X		NOT IN a county-designated dike failure flooding hazard zone	<u>11</u>

Additional Statutory Disclosures	IN	NOT IN	Map N/A*	Property Is:	NHD Report page:
Former Military Ordnance		X		NOT WITHIN one mile of a formerly used ordnance site.	<u>13</u>
Commercial or Industrial	X			WITHIN one mile of a property zoned to allow commercial or industrial use.	<u>13</u>
Airport Influence Area		X		NOT IN an airport influence area.	<u>14</u>
Airport Noise Area for 65 Decibel		X		NOT IN a delineated 65 dB CNEL or greater aviation noise zone.	<u>15</u>
Bay Conservation and Development Commission		X		NOT IN an area that is within the jurisdiction of the San Francisco Bay Conservation and Development Commission.	<u>16</u>
California Energy Commission		X		NOT IN a climate zone where properties are usually subject to duct sealing and testing requirements	<u>17</u>
Right to Farm Act		X		NOT IN a one mile radius of designated Important Farmland.	<u>18</u>
Notice of Mining Operations		X		NOT IN a one mile radius of a mapped mining operation that requires a statutory "Notice of Mining Operation" be provided in this Report.	<u>19</u>

General Advisories	Description	NHD Report page:
Registered Sex Offender Data Base (Megan's Law) Notice	Provides an advisory required pursuant to Section 290.46 of the Penal Code. Information about specified registered sex offenders is made available to the public.	<u>20</u>
Gas and Hazardous Liquid Transmission Pipeline Database Notice	Provides a notice required pursuant to Section 2079.10.5(a) of the Civil Code. Information about transmission pipeline location maps is made available to the public.	<u>21</u>
Methamphetamine Contamination	Provides an advisory that a disclosure may be required pursuant to the "Methamphetamine Contaminated Property Cleanup Act of 2005".	<u>22</u>
Mold	Provides an advisory that all prospective purchasers of residential and commercial property should thoroughly inspect the subject property for mold and sources for additional information on the origins of and the damage caused by mold.	<u>23</u>
Radon	Provides an advisory on the risk associated with Radon gas concentrations.	<u>24</u>



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General Advisories	Description	NHD Report page:
Endangered Species	Provides an advisory on resources to educate the public on locales of endangered or threatened species.	<u>24</u>
Abandoned Mines	Provides an advisory on resources to educate the public on the hazards posed by, and some of the general locales of, abandoned mines.	<u>25</u>
Oil and Gas Wells	Provides an advisory on the potential existence of oil and gas wells and sources for additional general and/or specific information.	<u>25</u>
Tsunami Map Advisory	Provides an advisory about maximum tsunami inundation maps issued for jurisdictional emergency planning.	<u>26</u>

Property Tax Determinations	IS	IS NOT	Property is:	Tax Report page:
Mello-Roos Districts		X	NOT SUBJECT TO a Mello-Roos Community Facilities District.	<u>26</u>
1915 Bond Act Districts		X	NOT SUBJECT TO a 1915 Bond Act District.	<u>28</u>
Other Direct Assessments	X		SUBJECT TO one or more other direct assessments.	<u>29</u>
SRA Fire Prevention Fee		X	NOT SUBJECT TO the State Responsibility Area Fire Prevention Fee (see State-level SRA Zone Disclosure).	<u>33</u>

Environmental Screening	IS	IS NOT	Property is:	Environmental Report page:
Leaking Underground Storage Tanks		X	NOT WITHIN one-quarter mile of a known leaking underground storage tank.	<u>41</u>
Superfund or RCRA Corrective Action Site	X		WITHIN one mile of a Superfund or RCRA Corrective Action site.	<u>40</u>
Other sites in databases screened	X		WITHIN one-half mile of sites other than those above that are listed in the databases searched.	<u>40</u>
Oil and Gas Wells		X	NOT WITHIN one-quarter mile of a mapped oil or gas well(s).	<u>38</u>
Underground Transmission Pipelines	X		WITHIN 2,000 feet of a gas transmission or hazardous liquid pipeline(s) depicted in the National Pipeline Mapping System.	<u>39</u>

Determined by First American Professional Real Estate Services, Inc.

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



Natural Hazard Disclosure (NHD) Report For SANTA CLARA County

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Natural Hazard Disclosure Report

PART 1. State Defined Natural Hazard Zones

Statutory Natural Hazard Disclosures

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

SPECIAL FLOOD HAZARD AREA

DISCUSSION: Property in a Special Flood Hazard Area (any type of Zone "A" or "V" as designated by the Federal Emergency Management Agency ("FEMA")) is subject to flooding in a "100-year rainstorm." Federally connected lenders are required to have homeowners maintain flood insurance in these zones. A 100-year flood occurs on average once every 100 years, but may not occur in 1,000 years or may occur in successive years. According to FEMA, a home located within a SFHA has a 26% chance of suffering flood damage during the term of a 30-year mortgage. Other types of flooding, such as dam failure, are not considered in developing these zones. In some cases, the insurance requirement may be waived or modified by obtaining a Letter of Map Revision ("LOMR") or Letter of Map Amendment ("LOMA") from the FEMA. This might be possible where flooding is shallow and fill was placed on the site, appropriate flood control measures were taken, or only the lot and no part of the structure is in the zone. Contact FEMA directly for more information. Flood insurance for properties in Zones B, C, D, X, X500, and X500_Levee is available but is not required.

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

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

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

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

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

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

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

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

Note: If the Property is subject to a Letter of Map Amendment ("LOMA") or a Letter of Map Revision ("LOMR") issued by FEMA, a copy of the LOMA or LOMR must be attached to the Natural Hazard Disclosure Statement ("NHDS") or appropriate disclosure statement. The Company is not always able to determine if the Property is subject to a LOMA or a LOMR. Even if such information is available to the Company, the Company is unable to attach a copy of the LOMA or LOMR to the NHDS. If Seller is aware that the Property is subject to a LOMR or a LOMA, the Seller shall attach a copy to the NHDS and notify the Company.

For more information about flood zones, visit:

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

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

AREA OF POTENTIAL FLOODING (DAM FAILURE)

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

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



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VERY HIGH FIRE HAZARD SEVERITY ZONE (VHFHSZ)

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

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

WILDLAND FIRE AREA (STATE RESPONSIBILITY AREA)

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

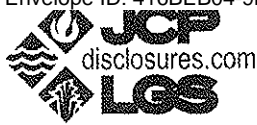
For property located within a WSRA, please note that (1) there may be substantial forest fire risks and hazards; (2) except for property located within a county which has assumed responsibility for prevention and suppression of all fires, it is NOT the state's responsibility to provide fire protection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

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

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

SRA Fire Prevention Benefit Fee Advisory

On January 23, 2012, the State Board of Forestry and Fire Protection ("Board") adopted an emergency regulation that implements a Fire Prevention Benefit Fee ("Benefit Fee") imposed annually on property owners in wildland areas where the state has responsibility for providing fire protection. According to the adopted regulation, the Benefit Fee is one hundred fifty-two dollars and thirty-three cents (\$152.33) per habitable structure in the State Responsibility Area ("SRA"), including single-family homes, multi-dwelling structures, mobile and manufactured homes, and condominiums. The Board regulation is pursuant to Chapter 1.5 (commencing with Section 4210) to Part 2 of Division 4 of the Public Resources Code (also known as Assembly Bill X1 29). The regulation allows a fee reduction of thirty-five dollars (\$35.00) per habitable structure located in the SRA and within the boundaries of a local agency that provides fire protection services. For more information, please refer to "Part 6. State Responsibility Area Fire Prevention Fee" in the JCP-LGS Property Tax Report.



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EARTHQUAKE FAULT ZONE

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

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

SEISMIC HAZARD MAPPING ACT ZONE

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

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

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

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

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



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Part 2. County and City Defined Natural Hazard Zones

HAZARD MAPS IN THE LOCAL GENERAL PLAN

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

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

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

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

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

REPORTING STANDARDS

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

PUBLIC RECORDS VS. ON-SITE EVALUATIONS

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

PROPERTY USE AND PERMITTING

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



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SANTA CLARA COUNTY GEOLOGIC ZONES DISCUSSION

PUBLIC RECORD(S) SEARCHED: The following Public Records are utilized for those county-level disclosures below: Officially adopted digital data of "County Geologic Hazard Zones" as prepared by Santa Clara County Department of Planning and disclosure of which is required by County Ordinance Sec C12-624 as revised March 19, 2002.

FAULT

The County identifies Fault Rupture Hazard Zones as both "active" and "potentially active" fault zones as well as other faulting-related geologic features. Active faults are known to have experienced fault rupture in the last 11,000 years and are usually seismically active (produce earthquakes periodically). Potentially active faults are not seismically active, and it cannot be definitely proven that these faults have moved in the last 11,000 years. Potentially active faults far outnumber active faults in Santa Clara County. Because potentially active faults are included in the zone description, all Fault Rupture Hazard Zone are not necessarily equal to an Alquist-Priolo Earthquake Fault Zone which only includes active faults.

Reporting Standards: If any portion of the Property is situated within a fault zone as delineated in the Public Record, "WITHIN" shall be reported.

LANDSLIDE

Landslide Hazard Zones include areas with a high potential for earthquake-induced landslides. It does not necessarily mean that landslides exist on the Property or that landsliding is imminent or probable in the area. It does mean that the designated area has a greater chance of landsliding than properties in flat-lying areas. The County has also included a United States Geological Survey Report and State of California Geologic Survey Earthquake-Induced Landslide Hazard Zones into the zone description. These include areas where there has been a recent landslide, or where local slope, geological, geotechnical, and ground moisture conditions indicate a potential for landslides as a result of earthquake shaking.

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

LIQUEFACTION

Liquefaction Hazard Zones include areas the California Geological Survey has defined as areas of historic occurrence or potential for liquefaction. Liquefaction is a rare soil phenomenon that can occur when loose, water saturated, fine-grained sands and silty sands that lie within 50 feet of the ground surface are shaken in a significant earthquake. The soil temporarily becomes liquid-like and structures may settle unevenly. The County has also included zones of liquefaction susceptibility from a United States Geological Survey Report of soil deposits that may be prone to liquefaction.

Reporting Standards: If any portion of the Property is situated within an area of potential liquefaction as delineated in the Public Record, "IN" shall be reported.

COMPRESSIBLE SOILS

Compressible Soils Zones include areas where there is a chance that the ground will settle locally during severe shaking due to the potential compression of peaty-type soils in these areas. Risk of injury is relatively low in these areas as a result of settlement alone.

Reporting Standards: If any portion of the Property is situated within an area of compressible soils as delineated in the Public Record, "IN" shall be reported.

DIKE FAILURE

Dike Failure Flooding Zones include areas where there is a significant chance of flooding following a large earthquake if the perimeter dike systems of the bay fail.

Reporting Standards: If any portion of the Property is situated within an area of potential dike failure as delineated in the Public Record, "IN" shall be reported.



**Natural Hazard Disclosure (NHD) Report
For SANTA CLARA County**

Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA COUNTY, CA 94306
("Property")

APN: 132-13-068
Report Date: 05/28/2015
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CITY-LEVEL GEOLOGIC AND SEISMIC ZONES DISCUSSION

This Report reviews the officially adopted geologic hazard maps in the Safety Element that each city in California is required to include in its General Plan. The city the subject property is located in has either not officially adopted hazard zonation maps in its General Plan at an appropriate scale to delineate where hazards may exist on a single parcel basis or will not make such maps available outside city offices. However, all Parties should be California is "earthquake country." Faults that may exist in this city or in neighboring regions could cause earthquake shaking or other fault related-phenomena on the Property. Other geologic hazards such as, but not limited to liquefaction (a type of soil settling that can occur when loose, water-saturated sediments are shaken significantly in an earthquake) may occur in certain valley floor areas and landslides are a possibility in any hillside area. Such potential natural hazards may exist and be delineated on other sources used by the city in its Planning, Engineering, or Building Departments. Such potential sources are not reviewed in this report.

END OF LOCAL AREA DISCLOSURES AND DISCUSSIONS SECTION



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Part 3. Additional Property Specific Disclosures

FORMER MILITARY ORDNANCE SITE DISCLOSURE

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

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

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

COMMERCIAL OR INDUSTRIAL ZONING DISCLOSURE

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

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

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

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



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AIRPORT INFLUENCE AREA DISCLOSURE

DISCUSSION:

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

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

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

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

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



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AIRPORT NOISE DISCLOSURE

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

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

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

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

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

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



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SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION DISCLOSURE

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

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

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

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

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



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CALIFORNIA ENERGY COMMISSION DUCT SEALING & TESTING REQUIREMENT

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

Effective October 1, 2005, in order to combat this waste of energy and money, the CEC set forth new duct sealing and testing requirements in Title 24 of the Building Energy Efficiency Standards. Title 24 requires that, in specific climate zones as designated by the CEC, when a central air conditioner or furnace is installed or replaced, homeowners must have ducts tested for leaks. Ducts found to leak more than 15 percent or more must be repaired. Once a contractor tests and fixes these ducts, you must have an approved third-party verifier determine that the ducts have been properly sealed. The CEC cautions homeowners that a contractor who fails to obtain a required building permit and fails to test and repair your ducts "is violating the law and exposing you to additional costs and liability." If you do not obtain a permit, you may be required to bring your home into compliance with code requirements for that work and may incur additional penalties and fines that have to be paid prior to selling your home. Remember that you have a duty to disclose whether you obtained required permits for work performed to prospective buyers and appraisers.

Local governments may mandate more stringent requirements; however, please be advised that duct sealing and associated testing is generally not required:

- if homes are located in specific coastal climates;
- when systems have less than 40 feet of ductwork in unconditioned spaces such as attics, garages, crawlspaces, basements, or outside the building; or
- when ducts are constructed, insulated, or sealed with asbestos.

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

For more information on these requirements, please contact the California Energy Commission or visit the official CEC "2005 HVAC Change-Out Information" portal at <http://www.energy.ca.gov/title24/changeout/>

PUBLIC RECORD: Vector digital rendition of the official "California Building Climate Zone Map" made publicly available by the California Energy Commission ("CEC").

REPORTING STANDARD: "WITHIN" shall be reported if the Property is situated within climate zone 2 or any climate zone 9 through 16 as designated in the Public Record. These are areas wherein duct sealing is "prescriptively required when an air conditioner or furnace is replaced and when new ducts are added or ducts are altered in an existing home." "NOT WITHIN" shall be reported if the Property is situated in climate zone 1 or any of climate zones 3 through 8 as designated in the Public Record.

COOLING AND HEATING ENERGY-EFFICIENCY ADVISORY

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

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



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STATEWIDE RIGHT TO FARM DISCLOSURE

DISCUSSION:

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

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

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

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

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

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



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NOTICE OF MINING OPERATIONS DISCLOSURE

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

NOTICE OF MINING OPERATIONS

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

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

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

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

Special Notes:

1. This statutory disclosure does not rely on the OMR's "AB 3098 List," a list of mines regulated under the Surface Mining and Reclamation Act of 1975 ("SMARA") that meet provisions set forth under California Public Resources Code §2717(b). The AB 3098 List does not include map coordinate data as required under California Public Resources Code §2207 and may not include all mining operations subject to the "Notice of Mining Operations" disclosure.
2. This "Notice of Mining Operations" disclosure is not satisfied by disclosing abandoned mines. An abandoned mine is NOT an operating mine. California Civil Code §1103.4 is satisfied only by disclosing based on OMR Maps.

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

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



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Part 4. General Advisories

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

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

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

California Department of Justice Information Sources:

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

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

Local Information Locations For The Property:

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

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

Santa Clara County Sheriff's Department	(408) 808-4400
San Jose Police Department	(408) 277-8900

Explanation and How to Obtain Information

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



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GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINE DATABASE DISCLOSURE REQUIREMENT

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

NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES

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

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

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

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

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

For More Information

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



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METHAMPHETAMINE CONTAMINATED PROPERTY DISCLOSURE ADVISORY

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

**Natural Hazard Disclosure (NHD) Report
For SANTA CLARA County**

Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA COUNTY, CA 94306
("Property")

APN: 132-13-068
Report Date: 05/28/2015
Report Number: 1730985

MOLD ADVISORY

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

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

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

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



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RADON ADVISORY

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

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

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

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

ENDANGERED SPECIES ACT ADVISORY

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

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

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

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

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

U.S. Fish & Wildlife Service Endangered Species Database (TESS)
http://ecos.fws.gov/tess_public/



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ABANDONED MINES ADVISORY

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

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

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

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

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

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

OIL & GAS WELL ADVISORY

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

According to the California Department of Conservation ("DOC"), to date, about 300,000 oil and gas wells have been drilled in California and around 160,000 are still in use. The majority of remaining wells have been sealed ("capped") under the supervision of the DOC's Division of Oil, Gas and Geothermal Resources. A smaller number have been abandoned and have no known responsible operator -- these are called "orphan" wells. The state has a special fund that pays the cost of safely capping orphan wells, however, that program is limited in its scope and progress.

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

For More Information

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



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TSUNAMI MAP ADVISORY

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

These maps specifically contain the following disclaimer:

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

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

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

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

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

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

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

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



Property Tax Disclosure Report For SANTA CLARA County

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California Property Tax Disclosure Report

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

Part 1. Introduction and Summary

This Tax Report section discusses the results of an electronic search of specified government lists ("Databases") containing real property tax information and geographic data concerning the Residential Property. To understand the information provided, please read this entire Report.

Summary of Property Tax Determinations

The Residential Property:	IS	IS NOT	
A.		X	NOT SUBJECT TO a Mello-Roos Community Facilities District. <u>28</u>
B.		X	NOT SUBJECT TO a 1915 Bond Act District. <u>28</u>
C.	X		SUBJECT TO one or more other direct assessments. <u>29</u>
D.		X	NOT SUBJECT TO the State Responsibility Area Fire Prevention Fee (see State-level SRA Zone Disclosure). <u>33</u>

Determined by First American Professional Real Estate Services, Inc.

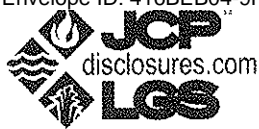
THIS IS A DATABASE REPORT ONLY: The tax information in this Report only provides data derived from County Tax Assessor's Databases ("Databases") identified in this Report. While JCP-LGS has made good faith efforts to report from the Databases as accurately as possible, the quality, accuracy, and currency ("Database Date") of the information contained in these Databases can vary greatly. For more information regarding a specific Database, please read Part 2 of this Report.

LIABILITY PROTECTIONS: Upon consummation of the sale of the Residential Property to Buyer ("Sale Date"), the Parties involved in that sale are protected against loss caused by an error in this Report as specified at the end of this Report in the Terms and Conditions: Tax Report Subsection. The Parties understand that this is a report product and not an insurance policy.

This Report satisfies Seller's obligations to disclose (a) Mello-Roos and 1915 Act Bond Assessments applicable to the Residential Property as required by California Civil Code Section 1102.6b, and (b) Supplemental Taxes as required by California Civil Code Section 1102.6c.

BUYER'S ACKNOWLEDGMENT

Buyer(s) acknowledge(s) receipt of this California Property Tax Disclosure Report as well as the Notice of Special Tax and Assessment contained herein by his/her/their signature(s) on the Natural Hazard Disclosure Statement (NHDS) Form that is a part of this report package.



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Part 2. NOTICE OF SPECIAL TAX/ASSESSMENT

Special assessments, also referred to as direct or fixed assessments, are charges that are not based on the value of the property. These charges are levied to provide funding for services or improvements that directly benefit the property. Mello Roos Community Facility Districts and 1915 Bond Districts are also classified as special assessments. Certain special assessments may be subject to accelerated foreclosure if allowed to go delinquent.

**TO THE PROSPECTIVE PURCHASER OF THE RESIDENTIAL PROPERTY AT THE ADDRESS REFERENCED ABOVE:
THIS IS A NOTIFICATION TO BUYER PRIOR TO PURCHASING THE RESIDENTIAL PROPERTY.**

A. Mello-Roos Community Facilities Districts

This Residential Property is NOT SUBJECT to Mello-Roos Community Facilities Districts.

Database Date: 2014-2015

B. 1915 Bond Act Assessment Districts

This Residential Property is NOT SUBJECT to 1915 Bond Assessment Districts.

Database Date: 2014-2015

C. Accelerated Foreclosure Information

Certain assessment or bond issues may contain accelerated foreclosure liens which have priority over other real property taxes and are a legal right included as part of the security for the obligation. The issuers of such bonds are often contractually required to monitor and collect delinquent assessments quickly. Accordingly these assessments are not subject to the five (5) year waiting period applicable to ad valorem real property taxes. If the real property is subject to such an assessment and the taxes are not paid promptly, the real property may be foreclosed upon and sold at public auction on an expedited basis. **Therefore, it is extremely important that the real property tax bill be paid on time to prevent the accelerated foreclosure.**

D. Notice of Property Assessed Clean Energy (PACE) Program

Property assessed clean energy (PACE) programs allow property owners to finance energy efficiency, water efficiency and renewable energy projects on residential and commercial structures through a voluntary special tax assessment on the property. PACE programs are offered by many city, county and regional planning agencies, and have repayment periods ranging from 5 to 20 years however some may be longer.

WHAT THIS MEANS: If a property owner voluntarily enters into a PACE program, a contractual assessment lien is placed on the property. The lien is repaid through installments collected on the property owner's secured county property tax bill. In certain situations the program administrator may bill the property owner directly. If the property is sold and the contractual assessment is not repaid in full, the new owner may be responsible for future assessments contributing towards repayment of the PACE contract.

DISCLOSURES AT RESALE: A PACE lien runs with the land. This means that the responsibility to repay the PACE lien may fall to the new owner upon transfer of the property unless the lien is paid off before closing. This fact may be material to a buyer's decision to purchase or price offered for the property. In addition, the buyer's lender may require the lien to be paid in full before closing (for certain federally backed mortgages, for example). Therefore, the property seller and his or her real estate agent may have a duty to disclose the existence of a PACE lien on the sale property.

DISCLAIMER: This Property Tax Report only discloses PACE special taxes documented in the county's 2014-2015 property tax roll. The Report does not include PACE special taxes first assessed or recorded after JCP-LGS obtained this tax roll information. To discover a PACE lien on the Property executed more recently, the buyer should read the preliminary title report and obtain and read all exceptions listed therein. Note that, in the title report, lien exceptions are named as recorded with the county; therefore, a PACE lien may be listed under a name that is not obvious.

E. Approved Assessment Districts Which Have Been Formed and Authorized But Are Not Yet Funded

Certain assessment districts may have been formed and authorized but have not yet been funded. Accordingly no assessment lien will appear in the County Assessor records. However, the information regarding such districts may appear on your preliminary report issued by a title company. If the assessment district has not been formed or funded, the improvements have also not been constructed. If the district is subsequently formed, the assessments may then appear on the property tax bill.



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Part 3. Current Property Tax Bill Summary

A. Summary of 2014-2015 Property Tax Bill

The following is a summary of Database information obtained from the SANTA CLARA COUNTY Secured Property Tax Roll for Tax Year 2014-2015 ("Database Date"). This summary is provided for informational purposes only. The summary includes Ad Valorem taxes which are based on the property's Assessed Value as well as other Non- Ad Valorem Direct or Special Assessments. Upon transfer of ownership, the Assessed Value may be reset to the Current Market Value or Sale Price which may result in a substantial change in the Ad Valorem taxes assessed. Please see Parts 4 and 5 of this Report for more information regarding Ad Valorem taxes and Supplemental taxes.

Total Assessed Value:	\$1,744,091.00
1st Installment Due 11/01/2014	\$10,692.93
2nd Installment Due 03/01/2015	\$10,692.93
Total Annual Tax Liability	\$21,385.86

General Ad Valorem Taxes

AGENCY	DESCRIPTION	AMOUNT	CONTACT PHONE
SANTA CLARA COUNTY	GENERAL AD VALOREM TAX & VOTER APPROVED BONDS	\$20,519.94	408-299-5540
SANTA CLARA VALLEY WATER DISTRICT	SCVWD TAX RATE	\$113.82	408-299-5540
	TOTAL AD VALOREM TAXES	\$20,633.76	

Direct and/or Special Assessments

AGENCY	DESCRIPTION	AMOUNT	CONTACT PHONE
MOSQUITO ASMT #2	MOSQUITO ASMT #2	\$8.36	(800) 273-5167
PALO ALTO UNION SCHOOL DISTRICT PARCEL TAX	PAUSD PARCEL TAX	\$638.00	(650) 329-3980
S.C. COUNTY - VECTOR CONTROL DIST	SCCO VECTOR CONTR	\$5.08	(800) 273-5167
SCVWD FLOOD ASSMT NORTHWEST	SCVWD FLOOD CONTR	\$43.14	(408) 265-2607
SCVWD SAFE CLEAN WATER (MEASURE B)	SCVWD SAFE CLN WATER	\$57.52	(408) 265-2607
	TOTAL DIRECT ASSESSMENTS	\$752.10	

B. Available Senior Citizen Exemptions

Certain districts that levy special taxes or assessments may offer exemptions to Senior Citizens. These exemptions can result in substantial savings to qualified tax payers. The filing of an application along with annual renewal may be required. Below is the contact information for requesting details on filing exemptions for districts that may offer a Senior Citizen Exemption. Additional Direct Assessment Districts may offer exemptions. Therefore you may want to contact the districts to determine their policy on Senior Citizen Exemptions.

AGENCY	DESCRIPTION	AMOUNT	CONTACT PHONE
PALO ALTO UNION SCHOOL DISTRICT PARCEL TAX	PAUSD PARCEL TAX	\$638.00	(650) 329-3980

See Part 4B for additional information on other exemptions that may be available to Buyer.



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Part 4. Estimating Property Taxes After the Sale

A. Calculating Property Taxes After Sale (ESTIMATE ONLY)

PROPERTY TAX ESTIMATOR

The following calculation method is provided to assist Buyer in estimating the approximate amount of property tax charges that the Residential Property may be subject to for the upcoming tax year based on the assessed valuation being equal to the sales price. The amount derived is only an estimate and is not a substitute for a tax bill from the County, nor does it anticipate new property tax charges, fees or other changes in the property tax rates for future tax years.

1	Estimated Sales Price.....	• 1	\$	_____
2	Estimated Ad Valorem Tax Rate.....	• 2		<u>0.01183</u>
3	Multiply line 1 by line 2. This is your Estimated Ad Valorem Tax.....	• 3	\$	_____
4	Direct Assessments including Mello Roos Special Taxes and 1915 Bond Act Assessments if applicable.....	• 4	\$	<u>752.10</u>
5	Add lines 3 and 4. Total Estimated Annual Tax Amount After Sale.....	• 5	\$	_____

The information in this subparagraph A is an estimate only. The purpose of this "ESTIMATOR" is to assist Buyer in planning for property taxes which will be applicable after the Sale Date. This "ESTIMATOR" requires the Buyer's projection of the purchase price of the Residential Property. Please note that potential exemptions and exclusions are not reflected in this estimate. Additionally, undeveloped or recently developed properties may be subject to additional Direct Assessments not included in this estimate JCP-LGS is not responsible or liable for any losses, liabilities or damages resulting from use of this Property Tax Estimator.

B. Exemptions & Exclusions to Ad Valorem Taxes

California law provides certain exemptions from reassessments. The following is a list of common exemptions which may be available:

- Homeowner exemption (California Constitution Art XIII, §3 & R&T Code §218)
- Honorably discharged veterans (California Constitution Art XIII, §3 & R&T Code §205)
- Disabled veterans (California Constitution Art XIII, §4 & R&T Code §205)

California law also provides certain exclusions from reassessment. The following is a list of common exclusions which may be available:

- Persons over 55 years of age (R&T Code § 69.5)
- Severely and permanently disable persons (R&T Code § 69.5(a))
- Transfers between parents and children and grandparents and grandchildren (R&T Code § 63.1)
- Transfers into revocable trusts (R&T Code § 62)
- Interspousal transfers (R&T Code § 63)
- Improvements for seismic retrofitting (R&T Code § 74.5)
- Improvements for disabled access (R&T Code § 74.3)
- Replacement of property damaged or destroyed by disaster (R&T Code § 69)

In order to determine if Buyer may qualify for any exemptions or exclusions or to obtain a comprehensive list of available exemptions and exclusions, please contact the county tax assessor's office (408-299-5540) or visit the county website at <http://www.sccassessor.org/>. Additional information is also available on the website for the California Board of Equalization at www.boe.ca.gov



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Part 5. Supplemental Property Tax Information

A. General Information Regarding Supplemental Taxes

California law mandates the county assessor to reappraise real property upon a change in ownership or completion of new construction. The assessor's office issues a supplemental assessment which reflects the difference between the prior assessed value and the new assessment. This value is prorated based on the number of months remaining in the fiscal tax year which ends June 30.

Notices of the supplemental assessment are mailed out to the property owners prior to the issuance of the supplemental tax bill or refund if the value is reduced. The taxes or refund based on the supplemental assessment are in addition to the regular annual tax bill.

The supplemental tax will be due from the current owner in addition to the regular tax assessment. Accordingly for the first year of ownership, Buyer should plan for this additional payment.

B. Supplemental Property Tax Disclosure

The following notice is mandated by California Civil Code Section 1102.6c:

NOTICE OF YOUR "SUPPLEMENTAL" PROPERTY TAX BILL

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

The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector.

If you have any question concerning this matter, please call your local Tax Assessor or Collector's Office."

SANTA CLARA County Assessor
Phone: 408-299-5540
Website: <http://www.sccassessor.org/>



JCP-LGS Residential Property Disclosure Reports

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C. Calculating Supplemental Taxes After Sale (ESTIMATE ONLY)

SUPPLEMENTAL TAX ESTIMATOR

The following schedule is provided to estimate the potential amount of the supplemental taxes on a given property and does NOT include the amount of the regular annual ad valorem property tax. The following calculation provides an estimate of the supplemental property taxes that can be expected during the first year of ownership, and should be used for planning purposes only.

1	Estimated Sales Price.....	• 1	\$	_____
2	Estimated Current Assessed Value.....	• 2	\$	1,744,091.00
3	Subtract line 2 from line 1. Estimated Supplemental Assessed Value.....	• 3	\$	_____
4	Multiply line 3 by 0.01183 (the Estimated Ad Valorem Tax Rate for the Residential Property). Estimated Full-Year <u>Supplemental</u> Tax Obligation.....	• 4	\$	_____

If the Sale Date for the Residential Property falls during the months of January through May, Buyer will receive TWO supplemental tax bills: (a) one for the current partial tax year; and (b) one for the next full tax year. The supplemental taxes can be estimated by completing lines 5 through 8 below:

5	Enter the Month-of-Sale Factor from TABLE 1 below.....	• 5	_____
6	Multiply line 4 by line 5. Estimated Supplemental Tax Bill # 1.....	• 6	\$ _____
7	Enter the amount on line 4. Estimated Supplemental Tax Bill # 2.....	• 7	\$ _____
8	Add lines 6 and 7. Total estimated Supplemental Tax Bill.....	• 8	\$ _____

If the Sale Date for the Residential Property falls during the months of June through December, Buyer will receive ONE supplemental tax bill. The supplemental tax can be estimated by completing lines 9 and 10 below:

9	Enter the Month-of-Sale Factor from TABLE 2 below.....	• 9	_____
10	Multiply line 4 by line 9. Total estimated Supplemental Tax Bill.....	• 10	\$ _____

TABLE 1. Month-of-Sale Factor

Jan	0.4167
Feb	0.3333
Mar	0.2500
Apr	0.1667
May	0.0833

TABLE 2. Month-of-Sale Factor

Jun	1.0000
Jul	0.9167
Aug	0.8333
Sept	0.7500
Oct	0.6667
Nov	0.5833
Dec	0.5000

The information in this subparagraph C is an estimate only. The purpose of this "ESTIMATOR" is to assist Buyer in planning for the supplemental taxes. The estimated supplemental tax is not a substitute for the supplemental bill and may not be relied upon as such. This "ESTIMATOR" requires the Buyer's projection of the purchase price of the Residential Property as well as month in which the transaction will be consummated. Please note that potential exemptions and exclusions are not reflected in these estimations JCP-LGS is not responsible or liable for any losses, liabilities or damages resulting from use of this Supplemental Tax Estimator.



Property Tax Disclosure Report For SANTA CLARA County

Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA COUNTY, CA 94306
("Property")

APN: 132-13-068
Report Date: 05/28/2015
Report Number: 1730985

Part 6. State Responsibility Area Fire Prevention Fee

Pursuant to Chapter 1.5 (commencing with Section 4210) to Part 2 of Division 4 of the Public Resources Code, the State of California shall charge an annual "Fire Prevention Benefit Fee" ("Benefit Fee") on each eligible habitable structure on a parcel that is within a State Responsibility Area ("SRA") as defined in Section 4102 of the Public Resources Code, commencing with the 2011-2012 fiscal year. For an explanation of the SRA, refer to page 8 of the Natural Hazard Disclosure Report, under "Wildland Fire Area (State Responsibility Area)". The Fee Amount and a Fee Exemption (explained below) were implemented in an emergency regulation adopted January 23, 2012 by the State Board of Forestry and Fire Protection ("Board").

Fee Amount: A Benefit Fee of one hundred fifty-two dollars and thirty-three cents (\$152.33) shall be charged on each habitable structure within an SRA, including single-family homes, multi-dwelling structures, mobile and manufactured homes, and condominiums. This is not a "per parcel" fee, but a levy on each structure (if any) on the parcel within an SRA which the State determines to be habitable.

Fee Exemption: Property owners of habitable structures within a SRA and also within the boundaries of a local agency that provides fire protection services shall receive a fee reduction of thirty-five dollars (\$35) per habitable structure.

Date Due and Late Payment Penalties

The fee shall be collected annually by the State Board of Equalization ("BOE"), and is due and payable 30 days from the date of assessment by the BOE. If not paid when due and payable, a penalty of twenty percent (20%) of the fee determined to be due shall be added to the amount due and payable for EACH 30-day period in which the fee remains unpaid.

The fees collected, other than that retained by the BOE necessary for payment of refunds and expenses incurred in the collection of the fee, shall be deposited into the State Responsibility Area Fire Prevention Fund in the State Treasury. This Fund shall be used by the Board and the Department of Forestry and Fire Protection ("CalFire") to finance the cost of specified fire prevention activities that will benefit the owners within the SRA who are required to pay the fee, including such activities as public education programs and local fire prevention projects to reduce fire risk in SRAs.

On July 1, 2013, and annually thereafter, the Board shall adjust the annual amount of the Fire Prevention Fee to reflect the percentage of change in the average annual value of a specified standard price index as reported by the Department of Finance. Commencing with the 2012-13 fiscal year, if there are sufficient amounts of moneys in the SRA Fire Prevention Fund to finance the costs of specified fire prevention activities for a fiscal year, the BOE would be prohibited from collecting the fee for that fiscal year.

Appeals Process: A person from whom the Benefit Fee is to be due may petition for a redetermination of whether this fee requirement applies to the Property. To appeal, the owner must submit within 30 days after the date of service of the determination a written petition stating the specific grounds upon which the appeal is founded and include supporting documentation. The petition must be sent to the address indicated by CalFire which may be the address of CalFire's Designated Fee Administrator.

Database Date: March 2015

This Property **IS NOT** located in a State Responsibility Area.



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Part 7. Private Transfer Fee Advisory

Private Transfer Fee. This is a fee imposed by a private entity such as a property developer, home builder, or homeowner association, when a property within a certain type of subdivision is sold or transferred. (It is commonly known as a "Private Transfer Tax".) It is NOT the same as a city or county Documentary Transfer Tax. A Private Transfer Fee may apply in addition to government Documentary Transfer Taxes that are due upon sale or transfer of the Property.

Transfer Fee Defined. California Civil Code Section 1098 defines a "Transfer Fee" as "any fee payment requirement imposed within a covenant, restriction, or condition contained in any deed, contract, security instrument, or other document affecting the transfer or sale of, or any interest in, real property that requires a fee be paid upon transfer of the real property." Certain existing fees such as governmental fees, court ordered fees, mechanic lien fees, common interest development fees, etc. are specifically excluded from the definition of "Transfer Fee."

Effective January 1, 2008, if the payment of any Transfer Fee is required in the sale or transfer of the Property, Civil Code Section 1102.6e requires Seller to notify Buyer of the existence of the fee and to disclose certain specific information about the fee.

Content of Disclosure. Civil Code Section 1102.6e requires the Seller to disclose specific information about any Transfer Fee that may affect the Property. If a Private Transfer Fee affects the Property, refer to C.A.R. Form NTF (11/07), provided by the California Association of REALTORS, for a standard format to use in making the Transfer Fee disclosure.

How to Determine the Existence of a Transfer Fee. If a Transfer Fee does exist affecting the Property, the document creating the fee may be on file with the County Recorder as a notice recorded against the Property and should be disclosed in the preliminary (title) report on the Property. However, the preliminary (title) report will merely disclose the existence of the documents affecting title, not the content of the documents. The title of a document may also not be sufficient to disclose that a Transfer Fee is included in its terms. Accordingly Seller should (a) request the title company which issued the preliminary (title) report to provide copies of the documents shown as "exceptions," and (b) review each document to determine if it contains a Transfer Fee.

Parties are advised that documents regarding any Transfer Fee should be obtained early in the sale process in order to avoid delays in the transaction process and to ensure full disclosure as required by law.

It is estimated that fewer than 1 in 10 California homes is subject to a Private Transfer Fee. To determine if the Property is subject to a Transfer Fee, OBTAIN COPIES OF ALL OF THE EXCEPTIONS LISTED ON THE PRELIMINARY (TITLE) REPORT FROM THE TITLE COMPANY AND READ THEM TO DETERMINE IF ANY TRANSFER FEES ARE APPLICABLE.

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



Environmental Screening Report For SANTA CLARA County

Property Address: 380 COLORADO AVE
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("Property")

APN: 132-13-068
Report Date: 05/28/2015
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Environmental Screening Report

Part 1. Introduction and Summary

The parties to the Transaction to which this Report applies ("Parties") are the owner ("Seller") of the Residential Property ("Property") on the Report Date, the buyer ("Buyer") of the Residential Property under contract of sale as of the Report Date, and their respective licensed real estate agents ("Agents"). Seller, Buyer and the Agents are sometimes referred to herein as "Party" or "Parties." JCP-LGS and the Parties are the parties to the contract that is entered into by the purchase of this Report.

This Report discloses the results of an electronic search of specified federal and state level environmental-hazard record systems ("Databases") that are known to include contamination sites ("Sites").

The Databases are searched for hazard Sites at standard distances from the Property. The standard search distance is not the same for all Databases, but depends upon the nature of the environmental hazard represented in the Database. JCP-LGS uses search distances that comply with the U.S. Environmental Protection Agency (EPA) "All Appropriate Inquiry" (AAI) standard for government records search (40 CFR Part 312.26) under the U.S. Small Business Liability Relief and Revitalization Act ("the Brownfields Law")

POINT AND LINE SOURCE METHODOLOGY

This Report does not identify the precise areas actually contaminated by an environmental hazard; rather, as a reasonable approximation, it identifies "point sources" for contamination, such as a specific Site address where a leaking underground tank was recorded. The address does not precisely reflect the location of the source of contamination on the Site, nor will it indicate the potential spread of any contamination from that source. In addition, any point source that lies beyond the standard distance searched for each Database will not be reflected in this Report -- even if it is known to be the origin of a larger contaminated area. Point sources are included in this Report as of the time they are identified in the government Database consulted by the Company. Please note that the Gas Transmission and Hazardous Liquid Pipeline disclosure (in Part 4) is based on the Property's location with respect to "line sources" represented in that Database.

The perchlorate contamination plume that is known to have affected groundwater in parts of Morgan Hill, San Martin, and possibly Gilroy is an example of a hazard Study Area. The point source responsible for it, reported to be in Morgan Hill, has not yet been officially listed on a publicly-available government site list. For current information about that Study Area, please contact the Santa Clara Valley Water District Perchlorate Hotline at 1-888-Hey-Noah (1-888-439-6624).

To understand the information provided, please read this entire Environmental Screening Report including Part 1 through Part 6. Information about a specific Database or standard search distance is provided in Part 5.

Part 2. Sites Identified in Environmental Records Search

A Site must have a complete address in order for its location to be known and its distance from the Property measured. Only Sites having a complete address in the Database searched are included in this section. Site "Distance" is the straight line distance in miles between the geocoded address (latitude and longitude) of the Site and the geocoded address of the Property. If the Public Record includes a Site that is within the standard distance searched for that Database category, then that Site is (1) listed as "Found" in the table below and at the beginning of this disclosure report is (2) shown on the "Map of Sites Found" and (3) noted as "IN" in the "Summary of Environmental Screening Determinations" for the applicable Database category. JCP-LGS recommends further investigation of any Site(s) listed below.

Codes indicating the status of a Site are explained as follows:

Open = Site listed as undergoing clean-up, investigation, or referral to another agency; or as non-active, abandoned or absorbed but not closed or completed.

Closed = Site listed as clean-up completed, release secured, no further remedial action planned, case closed, or delisted.

Active (or Inactive) = Site facility listed as actively (or not actively) engaged in a type of activity regulated under RCRA.

N/A = Not Applicable - site listed as uncontaminated, or as using or storing hazardous substances.

N/P = Not Provided - site status not supplied on agency list used.

Found	None Found	Database Searched (with standard search distance)				
	X	National Priorities List (Federal "Superfund" list) - 1 mile				
X		Federal Resource Conservation and Recovery Act (RCRA) - Corrective Actions List - 1 mile				
		Listed Site Name	Address	Case No.	Status	Distance



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					(miles)	
		COMMUNICATIONS & POWER INDUSTRIES	607 HANSEN WAY, PALO ALTO, CA94304	CAR000003863	Active 0.685801	
	X	California State Response List (includes Active Annual Workplan, AWP, sites) - 1/2 mile				
	X	California Spills, Leaks, Investigation and Cleanup (SLIC) List - 1/2 mile				
		Listed Site Name	Address	Case No.	Status	Distance (miles)
		Essex Park Trust	2785-2787 Park Boulevard Palo Alto, CA 94304	T10000005839	Open	0.374845
		PROPOSED PARK PLAZA APARTMENTS	2785 PARK BOULEVARD PALO ALTO, CA	T0608572772	Open	0.375088
	X	California Solid Waste Landfill Sites (SWIS) List - 1/2 mile				
	X	California Leaking Underground Storage Tank (LUST) List (see status explanation below) - 1/4 mile				

CLOSED SITES REMAIN OFFICIALLY LISTED: All Sites listed on the State's Leaking Underground Storage Tank Information System (LUSTIS) have been identified to have had a leaking storage tank. Many LUST Sites have been cleaned up and their cases "Closed", and this is noted above if applicable. Parties should be aware that LUST Sites remain in the LUSTIS database even after they have been closed, and are included in this report if found by our search. Leaking underground storage tanks are the most common type of contamination.

Storage tank leaks are often less extensive than other types of contamination releases and usually do not extend beyond the real property on which the tank is located. **For specific information about a Site listed above, please see Part 5 of this Report and contact the agency responsible for maintaining that Database.**

PART 3. Sites Missing Key Location Information

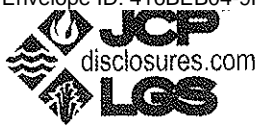
Many environmental hazard Sites in the Databases searched have incomplete or inaccurate address information. Those Sites cannot be precisely or reliably located and could potentially be anywhere in the Property's city, county, or state. They are, therefore, considered "unlocatable".

A sample of unlocatable sites that may be in the vicinity is listed below. A full list of ALL unlocatable California sites that include a zip code is available at the web address below:

http://www.firstampr.com/sites/default/files/Current_List_of_Unlocatable_Sites_by_Zip_Code.xls

Status codes for the unlocatable Sites are the same as noted above for the Sites "Found".

No.	Site Name	Address	Case No.	Status	Database
1	ARCO #4430	2995 MIDDLEFIELD ROAD PALO ALTO, CA 94306	T0608500175	Closed	CA_LUST
2	CHEVRON	2799 MIDDLEFIELD ROAD PALO ALTO, CA 94306	T0608502363	Open	CA_LUST
3	FILL'EM FAST	1795 EL CAMINO REAL PALO ALTO, CA 94306	T0608500615	Closed	CA_LUST
4	MOBIL (BP 11219)	2780 EL CAMINO REAL PALO ALTO, CA 94306	T0608500216	Closed	CA_LUST
5	Palo Alto High School Shop	85 Churchill Ave Palo Alto, CA 94306	T0608501029	Closed	CA_LUST
6	Palo Alto Unified School Dist.	85 Churchill Ave Palo Alto, CA 94306	T0608502230	Closed	CA_LUST
7	Shell	3011 Middlefield Rd Palo Alto, CA 94306	T0608501289	Closed	CA_LUST
8	West Bay Cycles	750 San Antonio Rd Palo Alto, CA 94306	T0608501582	Closed	CA_LUST
9	STANFORD UNIV-613A1	NEAR CORNER, CAMPUS DR/PANAMA, STANFORD, CA94305	CAD009214214	Active	FED_RCRA_COR
10	2555 PULGAS EPA LLC	2555/2565 PULGAS AVE EAST PALO ALTO, CA 94303	SL0608186716	Closed	CA_SLIC
11	EASTSIDE COLLEGE PREP SCHOOL	PULGAS AVENUE EAST PALO ALTO, CA 94303	SL0608117332	Closed	CA_SLIC



JCP-LGS Residential Property Disclosure Reports

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12	FORMER UPRR RAIL SPUR	N/A EAST OF ILLINOIS STREET EAST PALO ALTO, CA 94303	SL0608171026	Closed	CA_SLIC
13	Jay Paul Redevelopment	395 / 3045 Page Mill Road / Park Boulevard Palo Alto, CA 94303	T10000005459	Open	CA_SLIC
14	OREGON EXPRESSWAY UNDERPASS	ALMA STREET PALO ALTO, CA 94301	SL0608561372	Open	CA_SLIC
15	PALO ALTO AIRPORT - Palo Alto Airport	1901, 1903, 1925 Embarcadero Road Palo Alto, CA 94303	T10000004161	Closed	CA_SLIC
16	PRIVATE RESIDENCE	PRIVATE RESIDENCE EAST PALO ALTO, CA 94303	SL0608188488	Closed	CA_SLIC
17	PULGAS AND BAY	2470 && 1950 PULGAS AVE && BAY ROAD EAST PALO ALTO, CA 94303	SL0608165362	Open	CA_SLIC
18	SIRI BROS PARTNERSHIP	2012 CLARK EAST PALO ALTO, CA 94303	T0608101657	Closed	CA_SLIC
19	FLETCHER PROPERTY	2020 WAVERLY ST PALO ALTO, CA 94301	T0608500366	Closed	CA_LUST
20	PRIVATE RESIDENCE	PRIVATE RESIDENCE PALO ALTO, CA 94301	T0608518106	Closed	CA_LUST
21	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608577375	Closed	CA_LUST
22	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608548287	Closed	CA_LUST
23	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608571490	Closed	CA_LUST
24	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608569681	Closed	CA_LUST
25	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608539996	Closed	CA_LUST
26	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608545440	Closed	CA_LUST
27	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608504754	Closed	CA_LUST
28	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608501959	Closed	CA_LUST
29	PRIVATE RESIDENCE	PRIVATE RESIDENCE Palo Alto, CA 94301	T0608569709	Closed	CA_LUST
30	PRIVATE RESIDENCE	PRIVATE RESIDENCE PALO ALTO, CA 94301	T0608537527	Closed	CA_LUST



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PART 4. Oil & Gas Well Locations Within 1/4 Mile Of Property

No oil or gas well locations were identified within a radius of one-fourth (1/4) of one (1) mile of the Residential Property, based on a search of valid geographic coordinates contained in the current Statewide All Wells Database maintained by the California Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR) ("All Wells Database").

Buyer is advised that additional wells may exist in the area of the Property which are not contained in the All Wells Database. Wells that do not have valid geographic coordinates in the All Wells Database are not disclosed in this Report. The physical property boundaries of well locations and the Property are not factored into the calculation of the specified search radius.

EXPLANATION: The All Wells Database includes approximately 300,000 well location records. This database is searched for well locations within one-fourth (1/4) of one (1) mile around the geocoded point representing the Residential Property. Well locations, if any, within the specified parameters are listed in the table above.

Of the approximately 300,000 wells identified in the All Wells Database, 160,000 are classified as new, active, or idle in the latest Statewide All Wells Database release. The majority of remaining wells have been sealed under supervision of the DOGGR. A smaller number have been deserted and have no known responsible operator.

California has established laws with respect to well drilling, operation, maintenance, and abandonment to "prevent, as far as possible, damage to life, health, property, and natural resources; damage to underground oil and gas deposits from infiltrating water and other causes; loss of oil, gas, or reservoir energy, and damage to underground and surface waters suitable for irrigation or domestic purposes by the infiltration of, or the addition of, detrimental substances." (California Public Resources Code §3106).

The DOGGR is responsible for maintenance of orphaned wells. To defray the maintenance costs, oil companies pay the State 4.3 cents per barrel a year. A portion of this assessment funds the Orphan Well Plugging Fund ("Fund") with an annual \$1 million budget. Since its inception in the 1970's, the Fund has facilitated the plugging of wells by hired contractors. The selection process for wells to be plugged considers numerous factors including, but are not limited to, the proximity of wells to populated areas, the amount of pressure in well reservoirs, and other hazards.

For a complete listing and explanation of well status codes, visit the following DOGGR web page:
<http://www.conservation.ca.gov/dog/maps/Pages/GISMapping2.aspx>

FOR MORE INFORMATION: Ownership information of oil, gas, mineral, geothermal and other subsurface rights regarding the Residential Property may be disclosed in a preliminary (title) report or title commitment. The DOGGR does not use the County Assessor Parcel Number or site address to locate wells or leases, and therefore, the APN and address cannot be used to determine if there is a well on a specific property. To help tell if there is a well on a property, oilfield maps may be available on the DOGGR website (<http://www.conservation.ca.gov/dog/maps/Pages/GISMapping2.aspx>). In addition, the DOGGR Online Mapping System (<http://maps.conservation.ca.gov/doms/doms-app.html>) allows users to search well locations by API Number, Property Address, Geographic Coordinates, or Field Name. For detailed information about a specific well, reference the unique "API Number" that the DOGGR has assigned to it. The DOGGR website provides an online well search by API number at <http://opi.consrv.ca.gov/opi/opi.dll>.



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Part 5. NPMS Gas Transmission and Hazardous Liquid Pipelines Within 2,000 Feet of the Residential Property

Buyer is advised to carefully review the limitations of the Public Record noted below as to the important limitations regarding the National Pipeline Mapping System (NPMS) and the NPMS Public Map Viewer used for making this determination. For more information please visit the NPMS Public Map Viewer (<https://www.npms.phmsa.dot.gov/PublicViewer/>).

EXPLANATION: Proximity to a pipeline does not of itself indicate a safety risk. However, on September 9, 2010, a Pacific Gas and Electric (PG&E) natural gas transmission pipeline exploded in San Bruno, California, causing loss of life and extensive property damage. Following this incident much attention has focused on the presence of natural gas and hazardous liquid pipelines in the vicinity of residential neighborhoods. As a result, PG&E has notified residents and businesses within 2,000 feet of PG&E's natural gas transmission pipelines about their proximity.

This disclosure covers gas "transmission" and hazardous liquid pipelines only. It is important to note that every home that uses natural gas is connected to a gas "distribution" pipeline. Distribution pipelines are generally of smaller size and lower pressure than transmission pipelines. This disclosure does not include distribution pipelines nor is it meant to indicate there is no risk associated with distribution lines. While proximity to a pipeline does not of itself indicate a safety risk, excavation near a pipeline poses a definite hazard. For this reason, this disclosure includes an advisory about how to spot and avoid buried pipelines on and near a property.

The U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (PHMSA) administers the national regulatory program to monitor the transportation of natural gas, liquefied natural gas (LNG), and hazardous liquids by pipeline. PHMSA and the U.S. Office of Pipeline Safety (OPS) maintain a database of pipeline information called the **National Pipeline Mapping System (NPMS)** in cooperation with other federal and state governmental agencies and the pipeline industry. The NPMS is created using data compiled from mandatory submissions to PHMSA made by operators of pipelines and LNG plants, and from voluntary submissions made by breakout tank operators. The data is processed by private contractors. Since 2002, transmission pipeline and LNG plant facility operators are required to update their submissions annually.

The PHMSA website provides a **Public Map Viewer** that allows the general public to view pipeline maps in one county at a time. The viewer displays maps and associated data identifying transmission pipelines, LNG plants, and breakout tanks stored in the NPMS database. The data include information about the pipeline commodity (e.g., natural gas or liquid fuel), pipeline operator, agency contact, etc. The Public Map Viewer can be accessed at the following address:
<https://www.npms.phmsa.dot.gov/PublicViewer/>

This pipeline disclosure is based on a proximity search of the gas transmission pipelines and hazardous liquid pipelines depicted in NPMS Public Map Viewer at a scale of approximately 1:24,000. That map scale is the maximum resolution at which pipelines are displayed. At that map scale one inch on the map equals approximately 2,000 feet on the ground, which is the same scale as regulatory maps required for statutory natural hazard disclosure in California.

This pipeline disclosure is provided as an accommodation and is subject to the following **limitations in the Public Record:**

- Access to the original digital data in the NPMS database (on which the public maps are based) is restricted to federal, state, and local government agencies (including emergency responders). Pipeline operators are allowed access to their own pipeline data only.
- Pipeline locations in the NPMS database are accurate to plus or minus 500 feet.
- Neither the United States government nor any party involved in the creation and compilation of NPMS data and maps guarantees the accuracy or completeness of its product.
- Because the NPMS digital data are restricted from public access, any disclosure based on the NPMS Public Map Viewer may be subject to some positional inaccuracies in addition to those acknowledged by NPMS.
- Neither this disclosure nor NPMS data should ever be used as a substitute for calling "811" -- the federally-mandated "Call Before You Dig" one-call center -- prior to any digging project.

How to Spot a Pipeline Easement

Read the Preliminary Title Report A pipeline right-of-way is a strip of land over and around pipelines where some of the property owner's legal rights have been granted to a pipeline company. A right-of-way agreement between the pipeline company and the property owner is also called an easement and is usually filed in the public records with property deeds. Rights-of-way and easements provide a permanent, limited interest in the land that enables the pipeline company to operate, test, inspect, repair, maintain, replace, and protect one or more pipelines on property owned by others. The agreement may vary the rights and widths of the right-of-way, but generally, the pipeline company's right-of-ways extend 25 feet from each side of a pipeline unless special conditions exist.

To determine if the Property includes a pipeline right-of-way or easement, OBTAIN COPIES OF ALL OF THE EXCEPTIONS LISTED ON THE PRELIMINARY (TITLE) REPORT FROM THE TITLE COMPANY AND READ THEM.



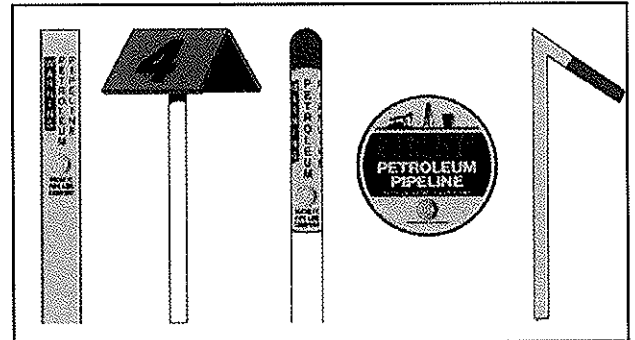
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Call Before You Dig - Every Time! In 2000, the U.S. Department of Transportation and the utility industry created the Common Ground Alliance (CGA), a trade association to work with all industry stakeholders in an effort to prevent damage to underground utility infrastructure and ensure public safety and environmental protection. The result is the "Call Before You Dig - 811 Service". Whether you are a homeowner or a professional excavator, every digging job requires a call to "811" - even small projects like planting trees or shrubs. If you hit an underground utility line while digging, you can harm yourself or those around you, disrupt service to an entire neighborhood and potentially be responsible for fines and repair costs. One call to 811 gets your underground utility lines marked for FREE.

Signs of Buried Pipelines Since pipelines are usually buried underground, line markers and warning signs like the ones shown here are used to indicate their approximate location along the pipeline route. The markers and signs are in high-visibility colors (yellow or orange) and are located at frequent intervals along the pipeline right-of-way. The markers can be found where a pipeline intersects a street, highway, railway, or waterway, and at other prominent points along the route. The markers display the material transported in the line, the name of the pipeline operator, and a telephone number where the operator can be reached in the event of an emergency. Pumping stations, tank farms, and cleared rights-of-way also help signal that a pipeline is located nearby.



Markers and warning signs only indicate the general location of a pipeline. They cannot be relied upon to indicate the exact position of the pipeline they mark. Also, the pipeline may not follow a straight course between markers. And, while markers are helpful in locating pipelines, they are limited in the information they provide. They provide no information, for example, about the depth or number of pipelines in the vicinity.

EXPLANATION OF THE DATABASES USED IN THIS REPORT

This Report uses the following Databases as of the date specified:

1) NATIONAL PRIORITIES LIST ("NPL" - commonly called "Superfund" or "CERCLIS" site list) as of 15 Sep 2014

The National Priorities List is a U.S. Environmental Protection Agency ("USEPA") database which includes Sites where known releases or threatened releases of hazardous substances, pollutants, or contaminants have occurred. As a part of the Superfund cleanup program, the NPL helps the USEPA determine which Sites warrant further investigation to assess human health and environmental risks, identify what remedial actions may be appropriate, notify the public of Sites believed to warrant further investigation, and serve notice to potentially responsible parties that the USEPA may initiate remedial action. Some NPL Sites encompass relatively large areas. Search Distance: one (1.0) mile. Responsible Agency: USEPA

Public Record: Facilities located in California listed as NPL Status code "A" (Site is Part of NPL Site), "D" (Deleted from the Final NPL), "F" (Currently on the Final NPL), "P" (Proposed for NPL), "R" (Removed from Proposed NPL), or "W" (Withdrawn) in the Region IX Active CERCLIS database obtained from USEPA. Facilities assigned NPL Status code "N" (Not on the NPL) are not disclosed in this Report.

For More Information: Contact the Environmental Protection Agency Superfund Hotline at (800) 424-9346 to speak with a Superfund consultant to request information from the individual Site Fact Sheet. This help-line can also provide the telephone number of the local Community Relations Coordinator for the Site in question and the location of the local information repository for that Site. The USEPA's official Internet website address is:

<http://www.epa.gov/superfund/index.htm>

2) RESOURCE CONSERVATION & RECOVERY ACT--CORRECTIVE ACTION list ("RCRA-COR") as of 15 Sep 2014.

RCRA (pronounced "ric-ra") is a federal law enforced by the U.S. Environmental Protection Agency ("USEPA") that requires safeguards on the use and disposal of household, municipal, commercial and industrial refuse. The goals of the law are to protect human health and the environment from the potential hazards of waste disposal, to reduce the amount of waste generated, and to ensure that wastes are managed in an environmentally sound manner. Under the Corrective Action program, the USEPA permits and monitors the cleanup of hazardous waste contamination. Search Distance: one (1.0) mile. Responsible Agency: USEPA

Public Record: "Subject to Corrective Action" facilities identified using USEPA's RCRAInfo Hazardous Waste Query Form for California.

For More Information: Contact the Environmental Protection Agency at (800) 424-9346 to speak with a consultant to request information from the individual Site Fact Sheet. The USEPA's official Internet website address is:

<http://www.epa.gov/enviro/html/rcris/index.html>



Environmental Screening Report For SANTA CLARA County

Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA COUNTY, CA 94306
("Property")

APN: 132-13-068
Report Date: 05/28/2015
Report Number: 1730985

3) CALIFORNIA ENVIROSTOR STATE RESPONSE list as of 15 Sep 2014.

The State Response list, a part of California's "Envirostor" database, identifies sites of confirmed hazardous materials releases where the Department of Toxic Substances Control ("DTSC") is involved in cleanup activities, either in a lead or oversight capacity. These confirmed release sites are generally high-priority and high potential risk, according to the DTSC. The State Response list includes the sites formerly contained in the "Active Annual Workplan (AWP)" list. Search Distance: 1/2 mile. Responsible Agency: State EPA/DTSC

Public Record: Sites listed as "State Response" under "Site_Facility_Type" in the EnviroStor Cleanup Sites database obtained from the Department of Toxic Substances Control. Please note that a given Site may have more than one record if the Site has more than one activity Status or EnviroStor ID assigned to it.

For More Information: Contact the State Environmental Protection Agency Department of Toxic Substances Control at: (916) 323-3400

4) SPILLS, LEAKS, INVESTIGATION & CLEANUP list ("SLIC") as of 15 Sep 2014.

The California SLIC Program oversees soil and water investigations, corrective actions, and assessments at Sites with current or historic unauthorized discharges and covers all types of pollutants (such as solvents, petroleum fuels, heavy metals, pesticides, etc.). As of January 1, 2005, all SLIC data is required to be submitted to the Geotracker database of the State Water Resources Control Board ("SWRCB"). Information on individual Sites may be available online at <http://geotracker.waterboards.ca.gov>. Please note that according to the SWRCB, "data is undergoing data cleanup and may contain errors". **Search Distance: 1/2 mile. Responsible Agency: SWRCB**

Public Record: Sites identified as "Cleanup Program Site" in the GeoTracker database obtained from the State Water Resources Control Board GeoTracker website.

For More Information: For details about a particular site, please visit GeoTracker at <http://geotracker.waterboards.ca.gov> Using the Identifier tool and clicking on the site on the graphic map interface, you can access a report that includes the case number and contact telephone number for the agency with more information on this site. If you know case number, you may access the record using Case Finder at <http://geotracker.waterboards.ca.gov/search.asp>.

5) SOLID WASTE INFORMATION SYSTEM list ("SWIS") as of 15 Sep 2014.

Solid waste landfill sites vary from state to state and may include active landfills, inactive landfills, incinerators, transfer stations, recycling facilities, and other facilities where solid waste is treated or stored. The California Integrated Waste Management Board ("CIWMB") tracks such Sites via its Solid Waste Information System database. SWIS contains information on facility type, regulatory and operational status, type of wastes received, and local enforcement actions. Please note that these Sites are simply regulated facilities and are not classified as being "contaminated" by the Board. Search Distance: 1/2 mile. Responsible Agency: CIWMB

Public Record: Sites listed in the "SwisGis.txt" database obtained from the California Integrated Waste Management Board Solid Waste Information System website.

For More Information: Contact the Board's "Solid Waste Information Center" at (916) 341 6320 and ask for the Associate Waste Management Specialist who should be able to answer some limited general questions. For more information, please contact the CIWMB in Sacramento or visit <http://www.calrecycle.ca.gov/SWFacilities/Directory/search.aspx> on the Internet.

6) LEAKING UNDERGROUND STORAGE TANK list ("LUST") per GEIMS/GeoTracker Information Management System as of 15 Sep 2014.

The LUST database is also known as the "LUFT" database because it includes records of leaking underground fuel tanks. LUSTs may be a significant source of soil and groundwater contamination. The State Water Resources Control Board ("SWRCB") maintains a database of LUSTs known as the Leaking Underground Storage Tank Information System ("LUSTIS") which was recently supplanted by the statewide GEIMS/GeoTracker information management system. LUSTIS contains the locations of all reported LUSTs, as well as the contents and status of the LUSTs. Search Distance: 1/4 mile. Responsible Agency: SWRCB

Public Record: Sites identified as "LUST Cleanup Site" in the GeoTracker database obtained from the State Water Resources Control Board GeoTracker website.

For More Information: For general questions, telephone the State Water Resources Control Board's Clean Water Desk in Sacramento at (866) 480-1028. Information on specific Sites is available at www.swrcb.ca.gov or visit their official Internet site at <http://geotracker.waterboards.ca.gov>.

7) CALIFORNIA STATEWIDE ALL WELLS DATABASE as of 15 Sep 2014.

The California Division of Oil, Gas, and Geothermal Resources, California Department of Conservation ("DOC"), maintains a database of oil, gas and geothermal wells in the state. Of the approximately 200,000 wells identified in the All Wells Database, approximately 102,000 are still in use. The majority of remaining wells have been sealed under supervision of the DOGGR. A



JCP-LGS Residential Property Disclosure Reports

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smaller number have been deserted and have no known responsible operator. **Search Distance: 1/4 mile. Responsible Agency: State Department of Conservation**

Public Record: Well locations listed in the Statewide All Wells Database obtained from the Department of Conservation, Division of Oil, Gas and Geothermal Resources.

For More Information: Contact the State Department of Conservation, Division of Oil, Gas and Geothermal Resources at: (916) 445-9686.

8) NATIONAL PIPELINE MAPPING SYSTEM (NPMS) GAS TRANSMISSION AND HAZARDOUS LIQUID PIPELINES as of 15 Sep 2014.

The National Pipeline Mapping System (NPMS) is a geographic information system (GIS) created by the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS) in cooperation with other federal and state governmental agencies and the pipeline industry. The NPMS is created using data compiled from mandatory submissions made by pipeline, LNG (Liquid Natural Gas) plant operators, and voluntary submissions made by breakout tank operators. The data is processed by private contractors. Neither the United States government nor any party involved in the creation and compilation of NPMS data and maps guarantees its accuracy or completeness. NPMS data should be considered no more accurate than +/- 500 feet and must never be used as a substitute for contacting the appropriate one-call center prior to digging. PHMSA restricts access to the NPMS to federal, state, and local government agencies (including emergency responders). Pipeline operators are allowed access to their own pipeline data only. NPMS Public Map Viewer (<https://www.npms.phmsa.dot.gov/PublicViewer/>) allows the general public to view available data one county at a time and at a limited zoom level in accordance with PHMSA's security policy. Search Distance: 2,000 feet. Responsible Agency: PHMSA

Public Record: Gas transmission pipelines and hazardous liquid pipelines as depicted on the NPMS Public Map Viewer at a scale of 1:24,000.

For More Information: To identify a specific pipeline owner/operator, please use the NPMS Public Map Viewer at the URL provided above. For policy and technical questions regarding NPMS, please contact PHMSA.

WANT MORE INFORMATION?

There is no single government agency that handles information for all contaminated Sites. Multiple agencies are responsible for organizing clean-up efforts at different types of Sites. Each generally maintains files on the Sites they oversee with information on the type and extent of contamination, clean-up efforts etc. There is also the possibility that the file may have no additional information. For general information, refer to the discussions in this report. If your question isn't answered there, call us here at JCP-LGS. We will try and answer them for you.

In the list of databases above, there is the name and telephone number of the agency overseeing that site. Agencies are limited to answering general questions. **NOTE!** Additional information on a site may be limited and the government agency you contact will not venture opinions.

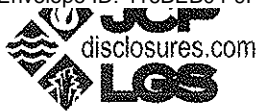
How to Obtain Generalized Environmental Information

Brochures published by the Environmental Protection Agency (EPA) are a good source of general information. County health departments may have a health and safety officer or a "hazmat" (hazardous materials) specialist that can answer general questions also. The telephone number for the local Department of Health should be listed in the telephone book.

- Environmental Protection Agency Drinking Water Hotline: **(800) 426-4791**
- Federal Environmental Protection Agency Public Information Office: **(866) 372-9378**
- California Environmental Protection Agency: **(916) 445-3846**

BACKGROUND ABOUT ENVIRONMENTAL HAZARDS

JCP-LGS provides a consumer guide titled, "Guide to Environmental Hazards", as a supplement to this environmental report. This "plain-English" supplement discusses and explains environmental hazards and what they mean for residential property transactions. The guide may be freely downloaded (as a PDF document) and printed from our website at the following address: <http://www.disclosures.com/sites/default/files/fanhdquidetoenvironmental hazards.pdf>



Terms and Conditions

Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA COUNTY, CA 94306
("Property")

APN: 132-13-068
Report Date: 05/28/2015
Report Number: 1730985

TERMS and CONDITIONS

The Report ("Report") is subject to each of the following Terms and Conditions. Each Recipient (defined below) of the Report agrees that the Report is subject to the following Terms and Conditions, and each Recipient agrees to be bound by such. Use of this Report by any Recipient constitutes acceptance of the Terms and Conditions to the Report. The Terms and Conditions below are incorporated by this reference into the Report. **This Report is not an insurance policy.**

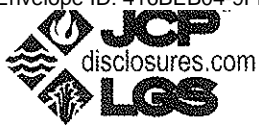
This Report is made for the real property specifically described in the Report (the "Property") and solely for the transaction for which it was originally purchased ("Transaction"). The Property shall not include any property beyond the boundaries of the real property described in the Report. The Property shall not include any structures (whether located on the Property, or not), easements, or any right, title, interest, estate, or easement in any abutting streets, roads, alleys, lanes, ways, or waterways.

IMPORTANT NOTICE: Transferor(s) and transferee(s) shall read the complete Report in its entirety before the close of escrow. A "Signature Page" or "Summary Pages" document may be included in the electronic delivery of this Report. Those documents do not replace the complete Report or remove the need to read the complete Report, and do not remove the requirement to disclose. The Signature Page and Summary Pages documents are subject to the Terms and Conditions of the complete Report.

- A. **Only the Recipients May Rely on This Report.** Only the transferor(s) and transferee(s), and their agents/brokers, if any, involved in the Transaction (collectively, the "Recipients") may use and rely on this Report and only after they have paid in full for the Report. While disclosures made on the statutory Natural Hazard Disclosure Statement in the Report may indicate certain risks to the Property, the disclosures are only "...between the transferor, the transferor's agents, and the transferee, and shall not be used by any other party, including, but not limited to, insurance companies, lenders, or governmental agencies, for any purpose." Cal. Civil Code section 1103.2, subdivision (g).
- B. **Seller and Seller's Agent's Responsibility of Full Disclosure.** Recipients are obligated to make disclosures, and always disclose material facts, that are within their actual knowledge.
- C. **Scope of Report.** This Report is limited to determining whether the Property is in those specified natural hazard zones and property tax districts, and in proximity to those specified environmental sites (depending on the report product ordered), as defined in the Report. The Report is not a geologic report or a land survey and no site inspection has been made in producing the Report. JCP-LGS makes no determination, expresses no opinion or view, and assumes no responsibility in this Report concerning the right, entitlement, or ability to develop or improve the Property. JCP-LGS has no information concerning whether the Property can be developed or improved. No determination is made and no opinion is expressed, or intended, by this Report concerning structures or soils on or outside of the Property, including, without limitation, habitability of structures or the Property, suitability of the Property for construction or improvement, potential for soil settlement, drainage, soil subsidence, or other soil or site conditions. The Recipient(s) is advised to consult the local Planning Department to determine whether factors beyond the scope of this Report may limit the Transferee(s) ability to use or improve the Property.

The Report is not a title report, and no determination is made and no opinion is expressed, or intended, by this Report as to title to the Property or liens against the Property, recorded or otherwise, or whether the Property is comprised of legal lots in conformance with the California Subdivision Map Act or local ordinances. The Report is not a property inspection report, and no determination is made and no opinion is expressed, or intended, by this Report concerning architectural, structural, mechanical, engineering, or legal matters, or the marketability or value of the Property. JCP-LGS has not conducted any testing or physical or visual examination or inspection of the Property, nor is this Report a substitute for any such testing, physical or visual examination, or inspection.

- D. **Tax and Environmental Disclosures (if included in Report).** No determination is made and no opinion is expressed, or intended, by the Report concerning the existence of property tax liabilities, or the existence of hazardous or toxic materials or substances, or any other defects, on, under, or in proximity to the Property, unless specifically described in the Report.
- E. **Statutory and Additional Disclosures, Advisories, and Local Addenda (if included in Report).** No determination is made and no opinion is expressed, or intended, by this Report concerning the need to purchase earthquake or flood insurance for the Property. In preparing the Report, JCP-LGS accurately reported on information contained in Government Records. JCP-LGS reviewed and relied upon those Government Records specifically identified and described in the Report. JCP-LGS has not reviewed or relied upon any Government Records that are not specifically identified in the Report. JCP-LGS also has not reviewed any plat maps, survey maps, surveyor maps, assessor maps, assessor parcel maps, developer maps, or engineering maps, whether or not such maps have been recorded. No determination is made and no opinion is expressed, or intended, by the Report concerning any matters identified in Government Records that were not reviewed by JCP-LGS. Local Addenda, where applicable, are included "AS IS" as an accommodation to the local real estate board that provided the content; JCP-LGS assumes no responsibility for the accuracy of any information included in the Local Addenda.
- F. **FEMA Flood Determination Certificate (if accompanying the Report).** No determination is made and no opinion is expressed, or intended, by the Report concerning the requirement for or cost of flood insurance on the Property. Recipient(s) understands that a lender may require flood insurance to secure its loan collateral independent of whether FEMA may require flood insurance under the National Flood Insurance Program on a federally backed mortgage. The FEMA Flood Determination Certificate ("Flood Certificate"), which may accompany the Report, is produced by a third-party expert certified by FEMA to provide Flood Certificates. JCP-LGS assumes no liability for errors in that third-party flood determination.
- G. **C.L.U.E.® Loss History Report (if accompanying the Report).** No determination is made and no opinion is expressed, or intended, by the Report concerning any prior insurance claims made on the Property. The C.L.U.E.® Loss History Report ("C.L.U.E. Report"), which may accompany this Report, is produced by the Comprehensive Loss Underwriting Exchange maintained by LexisNexis (a division of Reed Elsevier Inc.), a third-party agency that maintains a database of insurance claims pooled by insurance companies. JCP-LGS assumes no liability for errors in that third-party database.
- H. **Changes to Government Record after Report Date.** This Report is issued as of the Report Date identified in the Report. JCP-LGS shall have no obligation to advise any Recipient of any information learned or obtained after the Report Date even if such information would modify



JCP-LGS Residential Property Disclosure Reports

Terms and Conditions

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or otherwise affect the Report. Subsequent to JCP-LGS acquisition of Government Records, changes may be made to said Government Records and JCP-LGS is not responsible for advising the Recipients of any changes. JCP-LGS will update this Report upon request and at no charge during the transaction process for which this Report was issued, but not to exceed one year from the date of the Report. Likewise, JCP-LGS is not liable for any impact on the Property that any change to the Government Records may have.

- I. **Government Record Sources.** JCP-LGS relies upon the Government Records specifically identified in the Report without conducting an independent investigation of their accuracy. JCP-LGS assumes no responsibility for the accuracy of the Government Records identified in the Report. JCP-LGS makes no warranty or representation of any kind, express or implied, with respect to the Report. JCP-LGS expressly disclaims and excludes any and all other express and implied warranties, including, without limitation, warranties of merchantability or fitness for a particular purpose. The JCP-LGS Report is "AS IS".
- J. **Liability Provisions.**
- (1) Recipients are entitled to rely on the provisions of the Report as of the close of escrow for the transaction for which said Report was issued.
 - (2) Except as specifically described in the Report, JCP-LGS's total liability and responsibility to any Recipient for any liabilities, causes of action, claim or claims, including but not limited to any claim for breach of Report or negligence, shall be for actual proven damages only and is limited to the difference in fair market value of the Property as of the Report Date, caused by the error or omission but not in excess of the sale price of the Property to the Buyer. JCP-LGS shall have no responsibility, or liability, for any lost profits, consequential damages, special damages, indirect damages, or incidental damages allegedly suffered as a result of the use of, or reliance on, the Report. JCP-LGS has not conducted an independent investigation of the accuracy of the information provided by the Recipient. JCP-LGS assumes no responsibility for the accuracy of information provided by the Recipient. JCP-LGS shall be subrogated to all rights of any claiming party against anyone including, but not limited to, another party who had actual knowledge of a matter and failed to disclose it to the Recipients in writing prior to the close of escrow.
- K. **Governing Law.** The Report shall be governed by, and construed in accordance with, the laws of the State of California.
- L. **Small Claims or Arbitration.** This provision constitutes an agreement to arbitrate disputes on an individual basis. Any party may bring an individual action in small claims court instead of pursuing arbitration. All disputes and claims arising out of or relating to the Report must be resolved by binding arbitration. This Report to arbitrate includes, but is not limited to, all disputes and claims between JCP-LGS, transferor(s) and transferee(s) and claims that arose prior to purchase of the Report. This agreement to arbitrate applies to transferor(s) and transferee(s) successors in interest, assigns, heirs, spouses, and children. As noted above, a party may elect to bring an individual action in small claims court instead of arbitration, so long as the dispute falls within the jurisdictional requirements of small claims court.
- Any arbitration must take place on an individual basis, JCP-LGS, transferor(s) and transferee(s) agree that they are waiving any right to a jury trial and to bring or participate in a class, representative, or private attorney general action, and further agree that the arbitrator lacks the power to consider claims for injunctive or declaratory relief, or to grant relief effecting anyone other than the individual claimant.
- The arbitration is governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (the "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Agreement, and will be administered by the AAA. Company will pay all AAA filing, administration and arbitrator fees for any arbitration it initiates and for any arbitration initiated by another party for which the value of the claims is \$75,000 or less, unless an arbitrator determines that the claims have been brought in bad faith or for an improper purpose, in which case the payment of AAA fees will be governed by the AAA Rules. **A COPY OF THESE RULES IS AVAILABLE FROM THE AAA'S WEB SITE AT WWW.ADR.ORG OR ON REQUEST FROM THE COMPANY. THE ARBITRATION AWARD MAY INCLUDE ATTORNEY'S FEES IF ALLOWED BY FEDERAL, STATE, OR OTHER APPLICABLE LAW AND MAY BE ENTERED AS A JUDGMENT IN ANY COURT OF PROPER JURISDICTION.**
- The arbitration will take place in the same county in which the property covered by the Report is located. The Federal Arbitration Act will govern the interpretation, applicability and enforcement of this arbitration agreement. This arbitration agreement will survive the termination of this Report.
- M. **Severability.** If any provision of the Terms and Conditions to this Report is determined to be invalid or unenforceable for any reason, then such provision shall be treated as severed from the remainder of the Terms and Conditions, and shall not affect the validity and enforceability of all of the other provisions of the Terms and Conditions.
- N. **Other Agreements.** This Report constitutes the entire, integrated agreement between JCP-LGS and Recipients, and supersedes and replaces all prior statements, representations, negotiations, and agreements.

Charles Oey
Residential and Commercial Property Inspections
A Member of the Real Estate Inspection Group, Inc.
www.inspectiongroup.com



Scheduling: (800) 900-1239
Voice Mail: (650) 533-8405
E-mail: chuck@inspectiongroup.com

ORDER INFORMATION

Inspection Date: June 30, 2015		Inspection Time: 9:30 a.m.		Report Number: 150630a	
Inspection Address: 380 Colorado Avenue					
Inspection City: Palo Alto		State: CA Zip: 94306		Approx. Sq Ft: 2,400	
Client's Name:				Listing Inspection: <input checked="" type="checkbox"/> (Fee due within 90 days)	
Agent's Name: Lan Bowling				Office: Keller Williams Realty	
Phone: 650-520-3407		Ext:	Fax:	E-mail:	
Amount: \$570.00		Add:	For:	Billing Fee: 125.00	Total: \$695.00

MAKE CHECKS PAYABLE TO:

Payee: REIG, INC.
Amount: \$695.00
Address: 180 Second Street, Suite A
City: Los Altos
State: CA **Zip:** 94022

BILLING INSTRUCTIONS

(Amount subject to Billing Fee unless paid on site)

Paid on site? Check mailed

Escrow Company:

Escrow Number:

Officer:

Address:

City:

State: **Zip:**

Phone: **Ext:**

Fax:

E-mail:



Unless otherwise noted, all directional references to left, right, front, or rear assume the reader is standing at the main entrance of the structure, facing the front door of the home.

Date report sent by Mail:	Fax:	E-mail:	Delivered in person:
<input type="checkbox"/> Upload to www.TheReportOnline.com on: N/A		Password: N/A	Invoiced:

REAL ESTATE INSPECTION GROUP, INC.

Residential and Commercial Property Inspections

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www.inspectiongroup.com

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PRELIMINARY COMMENTS

We have inspected the major structural components, plumbing, heating and electrical systems for visual signs of significant nonfunctional performance, excessive or unusual wear, and general conditions of the property. Our findings and recommendations are not intended as criticisms of the building, but as professional opinions regarding the conditions present.

Please keep in mind that in some dwellings there may be features and systems that may not conform with current building standards. While we attempt to list any health, hazardous, and safety issues, we do not warrant that all non-conforming issues will be listed, as they may not have been a requirement at the time the house was built. The client should be aware that all dwellings need ongoing preventive maintenance in order to keep all aspects of the property in functional conditions. In most homes of similar age, there are typically some repairs needed.

Please note that we do not perform a structural pest inspection, since California law permits only licenced structural pest inspectors to inspect for, identify, and assess damage from wood destroying organisms such as termites or fungus. This report is written with the presumption that a structural pest inspection has been, or will be performed, and if any wood damage is noted in this report the reader will be advised to refer to the pest inspection report for additional information. Regardless of any findings in this report the client is strongly advised to have a structural pest inspection of the property performed before the close of escrow.

Real Estate Inspection Group, Inc.

SCOPE OF INSPECTION

If the client is the buyer, this report is not intended to be used by any third party, and the INSPECTOR shall not be accountable to any such third parties in any manner. If the report is a "Listing Inspection" for the seller, the report may be relied on (within the scope of the inspection described below), by both the seller and the buyer of the property from the seller upon execution of this agreement (Civil Code 1102.4c). The report is not intended to be distributed to any subsequent buyer of the property for reliance by the subsequent buyer, and the INSPECTOR is not accountable to such subsequent buyers in any manner.

The inspection is limited to the visible conditions of the property, and the purpose of this report is to provide the user an overview of the subject residence. The INSPECTOR can only spend a limited amount of time on each item and the report is thus limited in scope to only those items described herein, and only to the extent described in the Standards of Practice of the American Society of Home Inspectors (ASHI®), a copy of which is attached to the inspection report. The INSPECTOR will inspect the major structural and electrical / mechanical components for visual evidence of material defects and this report is not a statement of the code or permit complying condition of the property as only a governmental building inspector is authorized to determine the code permit complying condition of the property.

CLAIMS PROCEDURE

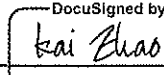
It is hereby agreed and understood that should the client claim to discover that one or more aspects of the report is incorrect, the client agrees to notify the inspector before any corrective measures are undertaken, and further to allow a re-inspection by the INSPECTOR of the reported problem at no cost to the client. Should the INSPECTOR determine in the INSPECTOR'S sole discretion that a repair or replacement needs to be performed, the client agrees to allow the INSPECTOR the opportunity to effect said repair during the period of the client's possession of the property prior to initiating any mediation, arbitration or civil action. If there is a conflict regarding the wording of a report, the report kept at REIG, Inc. shall prevail.

ARBITRATION AGREEMENT

Any dispute between the client and the INSPECTOR arising out of the inspection or the resulting report shall be decided by neutral arbitration in accordance with Chapter 3, Title 9 of the California Code of Civil Procedures (C.C.P. 1282, et seq.) and not by court action except as provided by California law for judicial review of arbitration proceedings. The parties to any arbitration under this agreement shall have the discovery rights provided in California Code of Civil Procedure 1283.05. The arbitrator shall be a retired Superior Court judge, a licensed California Attorney with at least five years of real estate experience or home inspector with at least five years experience as defined in Business and Professional Code 7195 et seq. If the parties herein cannot agree upon an arbitrator, the Superior Court of the county in which the property is located shall appoint an arbitrator. The prevailing party in any arbitration under this Arbitration Agreement shall be entitled to recovery fees and costs incurred in the proceeding.

By signing below, you are specifically agreeing to the Scope of the Inspection, the Claims Procedure, and the Arbitration Agreement above, and all conditions as described above. You are agreeing to have any dispute decided by neutral arbitration as provided by California law and you are giving up any rights you might possess to have the dispute litigated in a court or jury trial. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate under the authority of the California Code of Civil Procedure.

IF THIS AGREEMENT IS NOT SIGNED BY ANY PARTY, THIS INSPECTION REPORT WILL CARRY NO WARRANTY OR GUARANTEE AS TO ITS CONTENTS, AND SHALL BE AS INFORMATION ONLY FOR THAT PARTY.

DocuSigned by:
SELLER:  **DATE:** 7/9/2015
17105BE94FAF487...

BUYER: _____ **DATE:** _____

INSPECTOR:  **DATE:** 7/10/12

DEFINITIONS

The following are definitions of words likely to be used in this report when evaluating the condition of the elements of the house.

FUNCTIONAL CONDITION:

As far as could be determined within the scope of this inspection, the item was in serviceable condition and functioned according to its purpose.

FAIR CONDITION:

While not in excellent condition, the item performed according to reasonable expectations.

POOR CONDITION:

While functioning, the item did not perform to reasonable expectations. Maintenance, repairs, or replacement may be needed at the present time, or in the near future.

NON-FUNCTIONING or ACTION ITEMS:

These items did not meet the minimum standards of the manufacturer, and immediate safety or structural concerns may be present. Examples include a leaking or damaged hot water heater, a substandard electrical panel, a leaking roof, or a broken chimney. Other items that are less integral to the major systems of the house, such as a broken window pane, a missing or broken door handle, or an inoperative water faucet may also be categorized as non-functioning or action items.

CODE COMPLIANCE ISSUES:

This is not a code compliance inspection. Only the building department may determine the code status of any particular condition at the property. An item is only required to comply with the codes that were applicable at the time the house was built or remodeled. Items may sometimes be mentioned in the report that do not comply with current code requirements because of safety or other concerns. These items should be verified with the local building department for specific details and recommendations.

HAZARDOUS MATERIALS

This report does not include reporting on the presence of any environmental hazards including, but not limited to mold, radon, lead, toxins, carcinogens, noise, and contaminants in soil, water, and air.

Nor does it include the effectiveness of any system installed or methods utilized to control or remove suspected hazardous substances.

YOU ARE STRONGLY ADVISED TO REVIEW THE HANDBOOK "CALIFORNIA GUIDES TO ENVIRONMENTAL HAZARDS, EARTHQUAKE SAFETY, LEAD IN YOUR HOME AND ENERGY USAGE" PROVIDED TO YOU BY YOUR REALTOR.

EXTERIOR I

Items Inspected: Exterior walls, flashings, trims, eaves, soffits, and fascias, where accessible from ground level. Exterior doors, windows, and operating hardware. Roof coverings, flashings, roof drainage systems and skylights if present. Chimneys and flues if accessible.

Component Description:

EXTERIOR WALLS

- Stucco • Molded cement composite trim
- Wood trim

ROOF COMPONENTS

- Concrete tiles
- Metal gutters and downspouts

CHIMNEYS

- Wood framed

EXTERIOR WALL COVERING & TRIM:

The exterior wall coverings and trim were inspected for evidence of damage and/or possible water penetration, and to determine their overall condition. They appeared to be in serviceable condition. The paint appeared to be in good condition. Although no wood damage was noted, we do not perform a pest control inspection and recommend that you refer to the pest inspection report for information related to any wood damage that may have been noted during the pest inspection.

EXTERIOR DOORS & WINDOWS:

The doors and hardware were tested to assure proper function. They appeared to be in serviceable condition. The garage door opener had optical floor sensors and an automatic safety reverse feature. There were double pane casement and sliding windows in the house. A representative sampling of accessible windows was operated. They appeared to be in serviceable condition. Please note that dual glazed windows have a vacuum seal between the two panes of glass. When this seal is broken, they may cloud or attract vapor between them. The only remedy is to replace both panes. It is difficult, and sometimes virtually impossible to locate every dual glazed window in a building that has a broken seal. Therefore, while we look for broken seals, we can make no guarantee on finding or identifying any or all of them.

ROOF SYSTEM:

The roof was not walked on due to the risk of breaking roof tiles. The portions of the roof visible from the ground appeared to be in serviceable condition. Since the roof could not be fully inspected, you may wish to have a thorough roof inspection performed by a qualified roofing contractor.

CHIMNEY:

The chimney could not be accessed for inspection because the roof was not walked on; however there was no visible damage to the chimney when viewed from the ground. You may wish to consult with a qualified contractor for a full inspection of the chimney.

EXTERIOR I ACTION ITEMS:

None observed.

Items Not Included: This Section does not include the screening, shutters, or awnings.

EXTERIOR II

Items Inspected: Walkways, patios, porches and driveways leading to dwelling entrances. Vegetation, grading, surface drainage and retaining walls when any of these may have an adverse effect on the building. Attached decks, balconies, stairways, and their associated railings if present.

Component Description:

- | | |
|--------------------------|--|
| DRIVEWAY | • Interlocks |
| WALKS AND PATIOS | • Interlocks • Stone tile |
| PORCHES AND DECKS | • Stone tiled porch at front • Stone tiled porch at rear • Tiled terrace at the rear |

DRIVEWAY, WALKWAYS & PATIO(S):

The driveway and walkways were inspected for evidence of extensive cracking, excessive lifting or settlement, or other damage. They appeared to be functional and serviceable.

DECKS & PORCHES:

The porches and terrace were inspected for visible evidence of damage or other conditions that may need further evaluation or correction. They appeared to be functional and serviceable.

GROUNDS:

The overall grading of the property was visually inspected. Generally, area drainage around the perimeter of the house appeared to be reasonably controlled. In addition, the roof gutter and downspout system appeared to provide good control of the collected flow. The soil in the crawl space was dry with no visible evidence of excessive moisture conditions.

Area drainage should be observed during rainy periods and steps taken to direct all surface flow away from the structure and to eliminate puddle areas as practical. Keep the gutters and downspouts free of debris.

As with most other homes in this area, drainage control is an important element in the ongoing maintenance of the structure and the long-term successful performance of its foundation. The condition of the property's drainage control system and the subarea of the house is described, as it existed at the time of the inspection. It should be recognized that certain drainage conditions and latent problems could only be detected during the long-term occupancy of the house. I recommend the seller be consulted regarding any unusual or seasonal conditions.

EXTERIOR II ACTION ITEMS:

None observed.

Items Not Included: Fences, geological or hydrological conditions, outbuildings, storage sheds, recreational facilities, seawalls, docks, breakwalls, and erosion or earth stabilization control methods.

ELECTRICAL SYSTEM

Items Inspected: Service drop, entrance conductors, cables and raceways. Service equipment and main disconnects, service grounding, interior components of service and sub panels, conductors and overcurrent protection devices (including GFCI and AFCI circuit breakers if present). A representative number of lighting fixtures, switches, receptacles, and ground fault circuit interrupters (GFCI), if installed.

Component Description:

MAIN PANEL RATING & LOCATION	• 200 amps • Left side of the house
SERVICE VOLTAGE & MAIN DISCONNECT	• 120 / 240 • 200 amp circuit breaker
SUB PANEL LOCATION	• Garage
WIRING METHOD(S)	• NMC (romex) • Conduit run
WIRING TYPE(S)	• Copper 110/220V
220V SERVICE LOCATIONS	• Main & Sub panels • Laundry • A/C

ELECTRICAL PANEL(S) & WIRING:

The interior components, wiring, and overcurrent protection devices (circuit breakers), of the main panel and the sub panel were inspected. The circuit breaker sizes were consistent with the amperage ratings of the wires, and there were no double lugged circuit breakers. The panel appeared correctly grounded, but the final grounding point was not visible and the continuity could not be verified. The individual circuits in electrical panels should be identified and properly labeled for safety and convenience. Label or verify labeling of the panels upon occupying the house so that the power can be turned off quickly for maintenance or in an emergency.

LIGHTS, FANS, OUTLETS & SWITCHES:

A representative sample of the accessible outlets (we do not move furniture), lights, and switches was tested. Most of the tested fixtures (including GFCI protected outlets) responded normally. For safety and to assure proper function, GFCI outlets should be tested by pressing the test button once a month.

ELECTRICAL ACTION ITEMS:

The GFCI outlet to the right of the sub panel in the garage had no power.

Items Not Included: Remote control devices only if they provide primary control. Alarm and low voltage systems, and lights that are controlled by timers or photo-voltaic cells. Ancillary, network and communications wiring. Systems which are not part of the primary electrical power distribution system and solar power collection systems. Measuring of amperage, voltage, or impedance.

HEATING & A/C SYSTEM

Items Inspected: All installed heating equipment, including visible duct system components, vent systems and flues where readily accessible. Air conditioning equipment if present.

Component Description:

BRAND	ENERGY SOURCE AND HEATER TYPE	LOCATION
• Carrier	• Downflow gas fired forced air unit	• Garage
• Carrier	• Horizontal gas fired forced air unit	• Attic

PRIMARY HEAT SOURCE:

The furnaces were tested and operated for about five minutes. They appeared to be functional and serviceable. There was no flame distortion visible at the time of inspection. The PVC flue pipes appeared to be in serviceable condition. The insides of the heat exchangers are not within the scope of this inspection (see the ASHI Standards attached). You may wish to consult with a qualified heating contractor or PG&E for a full inspection of the heat exchangers. Change the furnace filters after every four to six months of use. The systems should be serviced and cleaned annually by a qualified heating contractor.

AIR CONDITIONING SYSTEM:

The central air conditioning systems were tested and operated for about fifteen minutes. The air conditioning systems responded normally at the time of the inspection. There was no temperature testing of the systems performed.

DUCTS AND AIR FLOW:

The ducts and cold air return were located in the subarea and attic. All of the visible ducts appeared to be sound and insulated. The air flow was tested at each of the readily accessible heat registers and it appeared to be normal.

HEATING AND COOLING ACTION ITEMS:

There were no sediment traps in the gas supply lines to the furnaces. Sediment trap should be installed by a qualified contractor to prevent damage to the furnaces by impurities in the gas. See page 26 of the furnace installation manual.

Items Not Included: Interiors of flues or chimneys not readily accessible, any heat exchanger, humidifier or dehumidifier, electronic or media air cleaners, solar space heating system, and window air conditioners. Determination of the adequacy and distribution balance of the heating and/or air conditioning system.

PLUMBING & WATER HEATING

Items Inspected: Interior water supply and distribution systems including related fixtures and faucets. Drain, waste and vent systems. Water heating equipment and flue vent systems. Fuel storage and fuel distribution system, any drain sumps, sump pumps, and related piping.

Component Description:

WATER SUPPLY PIPING	• Copper		
MAIN WATER SUPPLY LINE	• Copper where visible		
DRAIN, WASTE & VENT PIPING	• ABS plastic		
MAIN WATER SHUTOFF VALVE LOCATION:	• Left front corner of the house		
MAIN GAS SHUTOFF VALVE LOCATION:	• Left side of the house		
WATER HEATER BRAND	TYPE	CAPACITY	LOCATION
• Noritz	• Gas	• Tankless	• Left side of the garage

WATER & GAS SUPPLY, AND WASTE LINES:

The visible components of the plumbing system were inspected for evidence of leaking or unusual corrosion, and the plumbing fixtures were tested. The water pressure was normal even with multiple fixtures in use in the bathrooms. The water pressure may drop when multiple fixtures are tested simultaneously in different bathrooms. Additionally, the water pressure may vary at any time due to landscape irrigation and neighborhood usage.

In the event of an emergency, the gas may need to be turned off quickly. Attach an earthquake wrench to the meter so that it can be shut off in an emergency. Test the main gas shutoff valve and contact the local utility company if the valve is difficult to operate.

WATER HEATER:

The tankless water heater responded normally to hot water demand. The unit had a pressure relief valve properly installed.

PLUMBING ACTION ITEMS:

None observed.

Items Not Included: Clothes washer connections, and the operation of safety or shutoff valves. Wells, well pumps and water storage equipment. Water conditioning and solar water heating systems. Fire and lawn sprinkler systems, private waste disposal systems, and propane tanks. Adequacy or quality of the water supply.

KITCHEN

Items Inspected: Primary cooking equipment, garbage disposals, fixed dishwashers, and ventilation system if present. Countertops and a representative number of built-in cabinets.

Component Description:

BRAND

- Viking
- Sharp
- Asko
- WasteKing
- Viking
- Liebherr

APPLIANCE TYPE

- Gas range
- Installed microwave oven
- Dishwasher
- Garbage disposal
- Ducted fan with hood above the range
- Built-in refrigerator

APPLIANCES:

The installed cooking appliances were tested for proper response and function. All of the other installed appliances (including fans and venting systems) were inspected and tested to assure they were fully functional and free of leaking or damage. Temperature and other types of exhaustive testing are not performed on the kitchen appliances.

SINKS & PLUMBING:

The sink was tested, and the faucet and drain lines were inspected. They appeared to be functional and serviceable unless otherwise noted in the Action Items. The water shutoff valves under the sink responded normally. Check under the sink once every month for possible leaking. Free up any stiff or stuck water shutoff valves and tighten the packing nuts as needed.

SURFACES & CABINETS:

The floors, cabinets, countertops, walls, and ceilings were inspected. They appeared to be functional and serviceable unless otherwise noted in the Action Items. We do not inspect for cosmetic damage.

ELECTRICAL SYSTEMS:

The accessible outlets were tested, and the visible wiring was inspected. They appeared to be in serviceable condition. Any conditions found to be in need of attention are noted in the Action Items of the Electrical System. We recommend that GFCI outlets be installed within 6 feet of the sink for safety, but none were installed.

KITCHEN ACTION ITEMS:

None observed.

Items Not Included: Water purification systems and filters, and instant hot water dispensers. Freestanding microwave ovens, appliances, trash compactors, refrigerators, clothes washers and dryers.

BATHROOMS

Items Inspected: Sinks, toilets, tubs, shower and bath enclosures, faucets, visible drain lines, countertops, cabinets, flooring, and ventilation.

Component Description:

SINKS & FIXTURES:

The sinks were filled, and the faucets and drain lines were tested. They appeared to be functional and serviceable. The water shutoff valves under the sinks responded normally. Check under the sinks once every month for possible leaking. Free up any stiff or stuck water shutoff valves and tighten the packing nuts as needed.

TOILETS:

The toilets were inspected and the flush mechanisms were tested. They appeared to be functional and serviceable. The toilets were securely fastened at the floor line. The water shutoff valves under the toilets responded normally.

SHOWERS & BATHTUBS:

The faucets were operated and the drains were tested. All of the visible bathroom surfaces were inspected. They appeared to be functional and serviceable unless otherwise noted in the Action Items. No standing water test was performed of the shower stall enclosures.

ELECTRICAL SYSTEMS:

The accessible electric outlets and switches were tested. They appeared to be in serviceable condition.

GENERAL COMMENTS & MAINTENANCE:

Caulking around a tub or shower enclosure (especially at the floor line) should be examined regularly and properly renewed at the first signs of failure to help avoid possible water damage. Any voids noted in tile grout should also be properly corrected to help avoid water penetration and possible damage.

Our primary goal is to determine whether or not a component is in serviceable condition or is significantly deficient. Conditions related to appearance only, known as "cosmetic defects," are not within the scope of this inspection, which includes but is not limited to the following: commonly occurring surface cracks in synthetic sinks, countertops, tubs and showers; deterioration of finishes on faucets, spouts, shower heads, drains and metal trim; failed silver backing on mirrors; chipped tiles; and natural variation in stone surfaces.

BATHROOMS ACTION ITEMS:

The diverter valve in the master bathroom shower does not divert water to the hand-held shower head. I recommend further evaluation and correction as needed by a qualified contractor.

Items Not Included: Spas, saunas, steam rooms, and associated water heating and filtering systems.

INTERIOR

Items Inspected: Walls, ceilings, floors, stairways, and railings. Countertops and a representative number of cabinets and interior doors, fireplace(s), and placement of the smoke detectors.

Component Description:

- | | |
|------------------------|--|
| FLOOR COVERINGS | • Wall to wall carpeting • Hardwood • Ceramic tile |
| WALLS | • Drywall |
| CEILING | • Drywall |

FLOOR COVERINGS & STAIRWAYS:

The visible floor coverings, and stairs and railings, were inspected for evidence of damage or other problems. They appeared to be functional and serviceable unless otherwise noted in the Action Items. We did not inspect under rugs or carpeting or for cosmetic damage, and we do not move furniture. No assessment of floor level was undertaken.

WALLS, CEILINGS & INTERIOR DOORS:

The ceiling and wall surfaces were inspected for evidence of damage or other problems. They appeared to be in serviceable condition.

A representative sampling of interior doors were tested to assure they operated properly. They appeared to be functional and serviceable unless otherwise noted in the Action Items.

FIREPLACE:

The sealed gas burning fireplace was inspected for visible evidence of damage and/or other conditions that may need further evaluation or correction. It appeared to be in serviceable condition.

Note that the glass fronts of sealed fireplaces can get very hot during use, and are a burn injury risk for children and pets. The use of a protective screen or grate in front of the fireplace can help prevent possible injury.

SMOKE AND CARBON MONOXIDE DETECTORS:

The smoke and carbon monoxide detectors were installed in the proper locations, but were not tested. The buyer is strongly advised to check the installed detectors for safety before occupying the house. Smoke and carbon monoxide detectors should be tested monthly for proper response.

INTERIOR ACTION ITEMS:

- Loose carpeting was noted in the master bedroom. This is currently a cosmetic issue, however if the condition worsens the buckles in the carpeting may become trip hazards. In addition, the buckles may cause uneven and/or accelerated wear of the carpeting. I recommend having the carpeting re-stretched by a qualified carpet layer.
- The right front bedroom closet doors were rubbing against each other, and need to be adjusted. The strike plate for the office French doors needs to be adjusted so that the door will latch properly. The strike plates for the ball catches on the linen closet doors were missing and need to be installed.

Items Not Included: Window treatments, central vacuum systems and recreational facilities. Interiors of chimneys and flues, firescreens and doors, combustion devices and associated draft characteristics, and movement of any fireplace insert. Central fire alarm and fire sprinkler systems.

FOUNDATION & FRAMING

Items Inspected where visible: Foundation, floor structure, sub area drainage and moisture conditions. Wall, ceiling and roof structure. Presence of foundation to framing anchors. Any insulation present and/or visible.

Component Description:

FOUNDATION TYPE	<ul style="list-style-type: none"> • Poured concrete perimeter and interior stem wall • Poured concrete slab-on-grade at the garage
FOUNDATION ANCHORS	<ul style="list-style-type: none"> • Bolts were installed at the perimeter foundation.
FLOOR STRUCTURE	<ul style="list-style-type: none"> • Concrete piers • 4X wood posts • 4X wood girders • 2X wood floor joists framing • Plywood subfloor
WALL STRUCTURE	<ul style="list-style-type: none"> • 2X conventional wood platform framing
ROOF STRUCTURE	<ul style="list-style-type: none"> • 2X & 4X wood framing
CEILING STRUCTURE	<ul style="list-style-type: none"> • 2X & 4X wood framing

FOUNDATION AND FRAMING:

The sub area was entered from the access located in the closet under the stairs. The foundation was inspected by crawling around the perimeter and beneath the locations where plumbing is installed. The accessible foundation and framing components of the structure were inspected for evidence of damage or other adverse conditions, and the sub area drainage and moisture conditions were evaluated. There was no visible evidence of unusual settlement or failure to the foundation. The garage foundation was inspected, where visible, at its exterior perimeter and throughout its interior (where not obscured). There was no visible evidence of unusual settlement or failure to the garage slab-on-grade foundation. Comments regarding the foundation are made only from visual inspection and no comments can be given regarding its structural integrity.

Foundation bolts were used to connect the foundation to the wooden framing. It is beyond the scope of this inspection to determine the effectiveness or adequacy of this bracing.

The soil in the crawl space was dry at the time of the inspection. The crawl space ventilation appeared to be adequate.

ATTIC:

The attic was entered from the access located in the hall. The visible framing components of the attic were inspected for evidence of visible damage, deterioration, or other adverse conditions. The accessible attic framing was tight, with no visible stress or current water stains. The attic space ventilation appeared to be adequate.

INSULATION:

Fiberglass insulation was used to a depth of about 6 to 8 inches in the attic. Fiberglass batt insulation was installed between the floor joists in the crawl space. There was no visible access to verify wall insulation; however, wall insulation is commonly found in houses constructed since mid 1970's and would be very likely in houses built in the 1980's and later.

FOUNDATION AND FRAMING ACTION ITEMS:

None observed.

Items Not Included: This report does not include engineering or architectural services, and offers no opinion as to the strength or adequacy of any structural system or component. Only areas clearly visible are included.

NON-FUNCTIONING OR ACTION ITEMS I

EXTERIOR I ACTION ITEMS:

None observed.

EXTERIOR II ACTION ITEMS:

None observed.

ELECTRICAL ACTION ITEMS:

The GFCI outlet to the right of the sub panel in the garage had no power.

NON-FUNCTIONING OR ACTION ITEMS II**HEATING AND COOLING ACTION ITEMS:**

There were no sediment traps in the gas supply lines to the furnaces. Sediment trap should be installed by a qualified contractor to prevent damage to the furnaces by impurities in the gas. See page 26 of the furnace installation manual.

PLUMBING ACTION ITEMS:

None observed.

KITCHEN ACTION ITEMS:

None observed.

NON-FUNCTIONING OR ACTION ITEMS III

BATHROOMS ACTION ITEMS:

The diverter valve in the master bathroom shower does not divert water to the hand-held shower head. I recommend further evaluation and correction as needed by a qualified contractor.

INTERIOR ACTION ITEMS:

- Loose carpeting was noted in the master bedroom. This is currently a cosmetic issue, however if the condition worsens the buckles in the carpeting may become trip hazards. In addition, the buckles may cause uneven and/or accelerated wear of the carpeting. I recommend having the carpeting re-stretched by a qualified carpet layer.
- The right front bedroom closet doors were rubbing against each other, and need to be adjusted. The strike plate for the office French doors needs to be adjusted so that the door will latch properly. The strike plates for the ball catches on the linen closet doors were missing and need to be installed.
will be repaired before the COE.

FOUNDATION AND FRAMING ACTION ITEMS:

None observed.

GENERAL COMMENTS

This inspection was performed in accordance with the Standards of Practice of the American Society of Home Inspectors (ASHI), a copy of which is included in the Appendix of this report, and also available at <http://www.ashi.org/documents/pdf/standards.pdf>. Please be sure to read Page 3 of this report and the ASHI Standards of Practice, which delineate the areas and items that we inspect, and those which are excluded.

It is not possible within the scope and time constraints of this inspection to enumerate and describe every item observed. An attempt has been made to describe as many conditions as possible, with the major items of concern given top priority.

This inspection was performed for the seller. If the subsequent buyer of the property from the seller that contracted this inspection and report is relying on this inspection report for the purchase of this property; he/she must read, date, sign and return a copy of the Claims Procedure and Arbitration Agreement on Page 3 to the inspector, or the report will serve as "Information Only" to the buyer, with no Errors or Omissions warranties applicable to the inspection or report. Please, fax a signed and dated copy of Page 3 within 30 days of the close of escrow to Charles Oey (the inspector) at (650) 941-3698, or mail the copy to the inspector at 180 Second Street # A, Los Altos, CA 94022.

Failures and leaks can sometimes develop between the time of inspection and the close of the escrow, which is the determining factor in why this report is not a guarantee or warranty, as the occupants of the house will continue to use the items inspected. The buyer is obligated to exercise some due diligence in performing his or her own inspection of the property before the close of escrow.

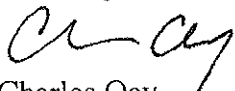
This report contains relevant information throughout all sections and paragraphs. It is designed to work as a unit, connecting all the information of all areas of the property. The information provided herein is considered of importance to the client's transaction. The client(s) MUST read the report in its entirety and SHOULD NOT rely only on specific individual phrases or words of the report. This report is narrative, thus, all lines and sentences contain pertinent information. The summary of action items at the end of the report is provided as an "at glance" service to help identify those areas or items that need attention, and it is not to be considered the sole source of information on the property. Failing to read the entire report and acting on the recommendation contained in it does not mean that the information on the property was not provided or disclosed by the inspector. Where comments and/or recommendations are given, the client(s) are solely responsible for acting on the information provided by deciding to have the deficiencies corrected, retrofitted, or left in the condition reported. Although I may give recommendations for repairs, I cannot enforce or require that the repairs or work be performed, as this is the responsibility of the client(s).

This report should not be considered or used as a repair bidding document, and a contractor so using it, must do so at his own risk. We recommend that all conditions be verified in the field. Any item or condition indicated in this report as being in need of further evaluation, correction, repair, or replacement should be examined on site by contractors or other specialists who are licensed and experienced in the appropriate fields.

I recommend a permit search to be performed on all houses I inspect where any remodeling has taken place to determine whether properly finalized building permits are on file for all additions or modifications.

Please read through this entire report, review the photos, and call if you have any questions.

Sincerely,

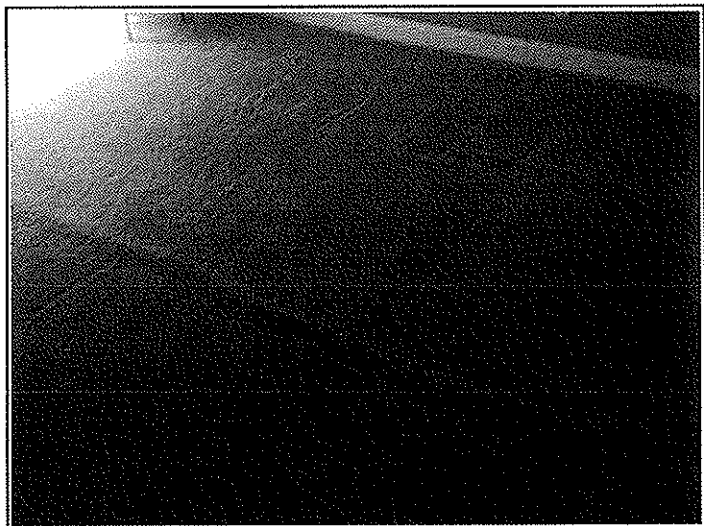


Charles Oey

American Society of Home Inspectors Certified Inspector # 244374

PHOTOS PAGE I

Photo 1



Loose carpeting in master bedroom.

Photo 2



Ball catch strike plates for linen closet doors missing.

The Standards of Practice and Code of Ethics of THE AMERICAN SOCIETY OF HOME INSPECTORS®



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HOME INSPECTION

Home inspections were being performed in the mid 1950s, and by the early 1970s were considered by many consumers to be essential to the real estate transaction. The escalating demand was due to a growing desire by homebuyers to learn about the condition of a house prior to purchase. Meeting the expectations of consumers required a unique discipline, distinct from construction, engineering, architecture, or municipal building inspection. As such, home inspection requires its own set of professional guidelines and qualifications. The American Society of Home Inspectors (ASHI) formed in 1976 and established the ASHI Standards of Practice and Code of Ethics to help buyers and sellers make real estate transaction decisions based on accurate, objective information.

American Society of Home Inspectors

As the oldest, largest and highest profile organization of home inspectors in North America, ASHI takes pride in its position of leadership. Its Membership works to build public awareness of home inspection and to enhance the technical and ethical performance of home inspectors.

Standards of Practice

The ASHI Standards of Practice guide home inspectors in the performance of their inspections. Subject to regular review, the Standards of Practice reflect information gained through surveys of conditions in the field and of the consumers’ interests and concerns. Vigilance has elevated ASHI’s Standards of Practice so that today they are the most widely-accepted home inspection guidelines in use and are recognized by many government and professional groups as the definitive standard for professional performance.

Code of Ethics

ASHI’s Code of Ethics stresses the home inspector’s responsibility to report the results of the inspection in a strictly fair, impartial, and professional manner, avoiding conflicts of interest.

ASHI Membership

Selecting the right home inspector can be as important as finding the right home. ASHI Members have performed no fewer than 250 fee-paid inspections in accordance with the ASHI Standards of Practice. They have passed written examinations testing their knowledge of residential construction, defect recognition, inspection techniques, and report-writing, as well as ASHI’s Standards of Practice and Code of Ethics. Membership in the American Society of Home Inspectors is well-earned and maintained only through meeting requirements for continuing education.

Find local ASHI Members by calling 1-800-743-2744 or visiting the ASHI Web site at www.ashi.org.

ASHI STANDARDS OF PRACTICE

1. INTRODUCTION

The American Society of Home Inspectors®, Inc. (ASHI®) is a not-for-profit professional society established in 1976. Membership in ASHI is voluntary and its members are private home *inspectors*. ASHI's objectives include promotion of excellence within the profession and continual improvement of its members' inspection services to the public.

2. PURPOSE AND SCOPE

2.1 The purpose of the Standards of Practice is to establish a minimum and uniform standard for home *inspectors* who subscribe to these Standards of Practice. *Home inspections* performed to these Standards of Practice are intended to provide the client with objective information regarding the condition of the *systems* and *components* of the home as *inspected* at the time of the *home inspection*. Redundancy in the description of the requirements, limitations, and exclusions regarding the scope of the *home inspection* is provided for emphasis only.

2.2 *Inspectors shall:*

- A.** adhere to the Code of Ethics of the American Society of Home Inspectors.
- B.** *inspect readily accessible*, visually observable, *installed systems* and *components* listed in these Standards of Practice.
- C. report:**
 1. those *systems* and *components inspected* that, in the professional judgment of the *inspector*, are not functioning properly, significantly deficient, *unsafe*, or are near the end of their service lives.
 2. recommendations to correct, or monitor for future correction, the deficiencies *reported* in 2.2.C.1, or items needing *further evaluation*. (Per Exclusion 13.2.A.5 *inspectors* are NOT required to determine methods, materials, or costs of corrections.)
 3. reasoning or explanation as to the nature of the deficiencies *reported* in 2.2.C.1, that are not self-evident.
 4. *systems* and *components* designated for inspection in these Standards of Practice that were present at the time of the *home inspection* but were not *inspected* and the reason(s) they were not *inspected*.

2.3 These Standards of Practice are not intended to limit *inspectors* from:

- A.** including other inspection services or *systems* and *components* in addition to those required in Section 2.2.B.

- B.** designing or specifying repairs, provided the *inspector* is appropriately qualified and willing to do so.
- C.** excluding *systems* and *components* from the inspection if requested by the client.

3. STRUCTURAL COMPONENTS

3.1 The *inspector* shall:

- A. inspect:**
 1. *structural components* including the foundation and framing.
 2. by probing a *representative number of structural components* where deterioration is suspected or where clear indications of possible deterioration exist. Probing is NOT required when probing would damage any finished surface or where no deterioration is visible or presumed to exist.
- B. describe:**
 1. the methods used to *inspect under-floor crawl spaces* and attics.
 2. the foundation.
 3. the floor structure.
 4. the wall structure.
 5. the ceiling structure.
 6. the roof structure.

3.2 The *inspector* is NOT required to:

- A.** provide any *engineering* or architectural services or analysis.
- B.** offer an opinion as to the adequacy of any *structural system* or *component*.

4. EXTERIOR

4.1 The *inspector* shall:

- A. inspect:**
 1. *siding*, flashing and trim.
 2. all exterior doors.
 3. attached or adjacent decks, balconies, stoops, steps, porches, and their associated railings.
 4. eaves, soffits, and fascias where accessible from the ground level.
 5. vegetation, grading, surface drainage, and retaining walls that are likely to adversely affect the building.
 6. adjacent or entryway walkways, patios, and driveways.
- B. describe:**
 1. *siding*.

EXTERIOR 4.2, Continued

- 4.2 The inspector is NOT required to inspect:**
- A. screening, shutters, awnings, and similar seasonal accessories.
 - B. fences.
 - C. geological and/or soil conditions.
 - D. recreational facilities.
 - E. outbuildings other than garages and carports.
 - F. seawalls, break-walls, and docks.
 - G. erosion control and earth stabilization measures.

5. ROOFING**5.1 The inspector shall:**

- A. inspect:
 1. roofing materials.
 2. roof drainage systems.
 3. flashing.
 4. skylights, chimneys, and roof penetrations.
- B. describe:
 1. roofing materials.
 2. methods used to inspect the roofing.

5.2 The inspector is NOT required to inspect:

- A. antennae.
- B. interiors of flues or chimneys that are not readily accessible.
- C. other installed accessories.

6. PLUMBING**6.1 The inspector shall:**

- A. inspect:
 1. interior water supply and distribution systems including all fixtures and faucets.
 2. drain, waste, and vent systems including all fixtures.
 3. water heating equipment and hot water supply system.
 4. vent systems, flues, and chimneys.
 5. fuel storage and fuel distribution systems.
 6. drainage sumps, sump pumps, and related piping.
- B. describe:
 1. water supply, drain, waste, and vent piping materials.
 2. water heating equipment including energy source(s).
 3. location of main water and fuel shut-off valves.

6.2 The inspector is NOT required to:

- A. inspect:
 1. clothes washing machine connections.
 2. interiors of flues or chimneys that are not readily accessible.
 3. wells, well pumps, or water storage related equipment.
 4. water conditioning systems.
 5. solar water heating systems.
 6. fire and lawn sprinkler systems.
 7. private waste disposal systems.
- B. determine:
 1. whether water supply and waste disposal systems are public or private.
 2. water supply quantity or quality.
- C. operate automatic safety controls or manual stop valves.

7. ELECTRICAL**7.1 The inspector shall:**

- A. inspect:
 1. service drop.
 2. service entrance conductors, cables, and raceways.
 3. service equipment and main disconnects.
 4. service grounding.
 5. interior components of service panels and sub panels.
 6. conductors.
 7. overcurrent protection devices.
 8. a representative number of installed lighting fixtures, switches, and receptacles.
 9. ground fault circuit interrupters.
- B. describe:
 1. amperage and voltage rating of the service.
 2. location of main disconnect(s) and sub panels.
 3. presence of solid conductor aluminum branch circuit wiring.
 4. presence or absence of smoke detectors.
 5. wiring methods.

7.2 The inspector is NOT required to:

- A. inspect:
 1. remote control devices.
 2. alarm systems and components.
 3. low voltage wiring systems and components.
 4. ancillary wiring systems and components not a part of the primary electrical power distribution system.
- B. measure amperage, voltage, or impedance.

Continued

8. HEATING**8.1 The inspector shall:**

- A. open *readily openable access panels*.
- B. *inspect*:
 1. *installed* heating equipment.
 2. *vent systems*, flues, and chimneys.
- C. *describe*:
 1. energy source(s).
 2. *heating systems*.

8.2 The inspector is NOT required to:

- A. *inspect*:
 1. interiors of flues or chimneys that are not *readily accessible*.
 2. heat exchangers.
 3. humidifiers or dehumidifiers.
 4. electronic air filters.
 5. solar space heating *systems*.
- B. determine heat supply adequacy or distribution balance.

9. AIR CONDITIONING**9.1 The inspector shall:**

- A. open *readily openable access panels*.
- B. *inspect*:
 1. central and through-wall equipment.
 2. *distribution systems*.
- C. *describe*:
 1. energy source(s).
 2. *cooling systems*.

9.2 The inspector is NOT required to:

- A. *inspect* electronic air filters.
- B. determine cooling supply adequacy or distribution balance.
- C. *inspect* window air conditioning units.

10. INTERIORS**10.1 The inspector shall inspect:**

- A. walls, ceilings, and floors.
- B. steps, stairways, and railings.
- C. countertops and a *representative number* of *installed* cabinets.
- D. a *representative number* of doors and windows.
- E. garage doors and garage door operators.

10.2 The inspector is NOT required to inspect:

- A. paint, wallpaper, and other finish treatments.
- B. carpeting.
- C. window treatments.
- D. central vacuum *systems*.
- E. *household appliances*.
- F. *recreational facilities*.

11. INSULATION & VENTILATION**11.1 The inspector shall:**

- A. *inspect*:
 1. insulation and vapor retarders in unfinished spaces.
 2. ventilation of attics and foundation areas.
 3. mechanical ventilation *systems*.
- B. *describe*:
 1. insulation and vapor retarders in unfinished spaces.
 2. absence of insulation in unfinished spaces at conditioned surfaces.

11.2 The inspector is NOT required to disturb insulation.
See 13.2.A.11 and 13.2.A.12.**12. FIREPLACES AND SOLID FUEL BURNING APPLIANCES****12.1 The inspector shall:**

- A. *inspect*:
 1. *system components*.
 2. chimney and vents.
- B. *describe*:
 1. fireplaces and *solid fuel burning appliances*.
 2. chimneys.

12.2 The inspector is NOT required to:

- A. *inspect*:
 1. interiors of flues or chimneys.
 2. firescreens and doors.
 3. seals and gaskets.
 4. automatic fuel feed devices.
 5. mantles and fireplace surrounds.
 6. combustion make-up air devices.
 7. heat distribution assists (gravity fed and fan assisted).
- B. ignite or extinguish fires.
- C. determine draft characteristics.
- D. move fireplace inserts and stoves or firebox contents.

Continued

13. GENERAL LIMITATIONS AND EXCLUSIONS**13.1 General limitations:**

- A.** The *inspector* is NOT required to perform any action or make any determination not specifically stated in these Standards of Practice.
- B.** Inspections performed in accordance with these Standards of Practice:
1. are not *technically exhaustive*.
 2. are not required to identify concealed conditions, latent defects, or consequential damage(s).
- C.** These Standards of Practice are applicable to buildings with four or fewer dwelling units and their garages or carports.

13.2 General exclusions:**A. Inspectors are NOT required to determine:**

1. conditions of *systems* or *components* that are not *readily accessible*.
2. remaining life expectancy of any *system* or *component*.
3. strength, adequacy, effectiveness, or efficiency of any *system* or *component*.
4. the causes of any condition or deficiency.
5. methods, materials, or costs of corrections.
6. future conditions including but not limited to failure of *systems* and *components*.
7. the suitability of the property for any specialized use.
8. compliance with regulatory requirements (codes, regulations, laws, ordinances, etc.).
9. market value of the property or its marketability.
10. the advisability of purchase of the property.
11. the presence of potentially hazardous plants or animals including, but not limited to, wood destroying organisms or diseases harmful to humans including molds or mold-like substances.
12. the presence of any environmental hazards including, but not limited to, toxins, carcinogens, noise, and contaminants in soil, water, and air.
13. the effectiveness of any *system installed* or method utilized to control or remove suspected hazardous substances.
14. operating costs of *systems* or *components*.
15. acoustical properties of any *system* or *component*.
16. soil conditions relating to geotechnical or hydrologic specialties.

B. Inspectors are NOT required to offer:

1. or perform any act or service contrary to law.
2. or perform *engineering* services.
3. or perform any trade or any professional service other than *home inspection*.
4. warranties or guarantees of any kind.

C. Inspectors are NOT required to operate:

1. any *system* or *component* that is *shut down* or otherwise inoperable.
2. any *system* or *component* that does not respond to *normal operating controls*.
3. shut-off valves or manual stop valves.

D. Inspectors are NOT required to enter:

1. any area that will, in the opinion of the *inspector*, likely be dangerous to the *inspector* or other persons or damage the property or its *systems* or *components*.
2. *under-floor crawl spaces* or attics that are not *readily accessible*.

E. Inspectors are NOT required to inspect:

1. underground items including but not limited to underground storage tanks or other underground indications of their presence, whether abandoned or active.
2. items that are not *installed*.
3. *installed decorative* items.
4. items in areas that are not entered in accordance with 13.2.D.
5. detached structures other than garages and carports.
6. common elements or common areas in multi-unit housing, such as condominium properties or cooperative housing.

F. Inspectors are NOT required to:

1. perform any procedure or operation that will, in the opinion of the *inspector*, likely be dangerous to the *inspector* or other persons or damage the property or its *systems* or *components*.
2. describe or report on any *system* or *component* that is not included in these Standards and was not *inspected*.
3. move personal property, furniture, equipment, plants, soil, snow, ice, or debris.
4. *dismantle* any *system* or *component*, except as explicitly required by these Standards of Practice.

ASHI STANDARDS OF PRACTICE GLOSSARY OF ITALICIZED TERMS

Alarm Systems

Warning devices *installed* or free-standing including but not limited to smoke detectors, carbon monoxide detectors, flue gas, and other spillage detectors, and security equipment

Automatic Safety Controls

Devices designed and *installed* to protect *systems* and *components* from unsafe conditions

Component

A part of a *system*

Decorative

Ornamental; not required for the proper operation of the essential *systems* and *components* of a home

Describe

To identify (in writing) a *system* or *component* by its type or other distinguishing characteristics

Dismantle

To take apart or remove any *component*, device, or piece of equipment that would not be taken apart or removed by a homeowner in the course of normal maintenance

Engineering

The application of scientific knowledge for the design, control, or use of building structures, equipment, or apparatus

Further Evaluation

Examination and analysis by a qualified professional, tradesman, or service technician beyond that provided by the *home inspection*

Home Inspection

The process by which an *inspector* visually examines the *readily accessible systems* and *components* of a home and which *describes* those *systems* and *components* in accordance with these Standards of Practice

Household Appliances

Kitchen, laundry, and similar appliances, whether *installed* or free-standing

Inspect

To examine any *system* or *component* of a building in accordance with these Standards of Practice, using *normal operating controls* and opening *readily openable access panels*

Inspector

A person hired to examine any *system* or *component* of a building in accordance with these Standards of Practice

Installed

Attached such that removal requires tools

Normal Operating Controls

Devices such as thermostats, switches, or valves intended to be operated by the homeowner

Readily Accessible

Available for visual inspection without requiring moving of personal property, *dismantling*, destructive measures, or any action that will likely involve risk to persons or property

Readily Openable Access Panel

A panel provided for homeowner inspection and maintenance that is *readily accessible*, within normal reach, can be removed by one person, and is not sealed in place

Recreational Facilities

Spas, saunas, steam baths, swimming pools, exercise, entertainment, athletic, playground or other similar equipment, and associated accessories

Report

Communicate in writing

Representative Number

One *component* per room for multiple similar interior *components* such as windows, and electric receptacles; one *component* on each side of the building for multiple similar exterior *components*

Roof Drainage Systems

Components used to carry water off a roof and away from a building

Shut Down

A state in which a *system* or *component* cannot be operated by *normal operating controls*

Siding

Exterior wall covering and cladding; such as: aluminum, asphalt, brick, cement/asbestos, EIFS, stone, stucco, veneer, vinyl, wood, etc.

Solid Fuel Burning Appliances

A hearth and fire chamber or similar prepared place in which a fire may be built and that is built in conjunction with a chimney; or a listed assembly of a fire chamber, its chimney, and related factory-made parts designed for unit assembly without requiring field construction

Structural Component

A *component* that supports non-variable forces or weights (dead loads) and variable forces or weights (live loads)

System

A combination of interacting or interdependent *components*, assembled to carry out one or more functions.

Technically Exhaustive

An investigation that involves *dismantling*, the extensive use of advanced techniques, measurements, instruments, testing, calculations, or other means

Under-floor Crawl Space

The area within the confines of the foundation and between the ground and the underside of the floor

Unsafe

A condition in a *readily accessible, installed system* or *component* that is judged to be a significant risk of bodily injury during normal, day-to-day use; the risk may be due to damage, deterioration, improper installation, or a change in accepted residential construction standards

Wiring Methods

Identification of electrical conductors or wires by their general type, such as non-metallic sheathed cable, armored cable, or knob and tube, etc.



ASHI® CODE OF ETHICS

For the Home Inspection Profession

Integrity, honesty, and objectivity are fundamental principles embodied by this Code, which sets forth obligations of ethical conduct for the home inspection profession. The Membership of ASHI has adopted this Code to provide high ethical standards to safeguard the public and the profession.

Inspectors shall comply with this Code, shall avoid association with any enterprise whose practices violate this Code, and shall strive to uphold, maintain, and improve the integrity, reputation, and practice of the home inspection profession.

1. Inspectors shall avoid conflicts of interest or activities that compromise, or appear to compromise, professional independence, objectivity, or inspection integrity.

- A. Inspectors shall not inspect properties for compensation in which they have, or expect to have, a financial interest.
- B. Inspectors shall not inspect properties under contingent arrangements whereby any compensation or future referrals are dependent on reported findings or on the sale of a property.
- C. Inspectors shall not directly or indirectly compensate realty agents, or other parties having a financial interest in closing or settlement of real estate transactions, for the referral of inspections or for inclusion on a list of recommended inspectors, preferred providers, or similar arrangements.
- D. Inspectors shall not receive compensation for an inspection from more than one party unless agreed to by the client(s).
- E. Inspectors shall not accept compensation, directly or indirectly, for recommending contractors, services, or products to inspection clients or other parties having an interest in inspected properties.
- F. Inspectors shall not repair, replace, or upgrade, for compensation, systems or components covered by ASHI Standards of Practice, for one year after the inspection.


2. Inspectors shall act in good faith toward each client and other interested parties.

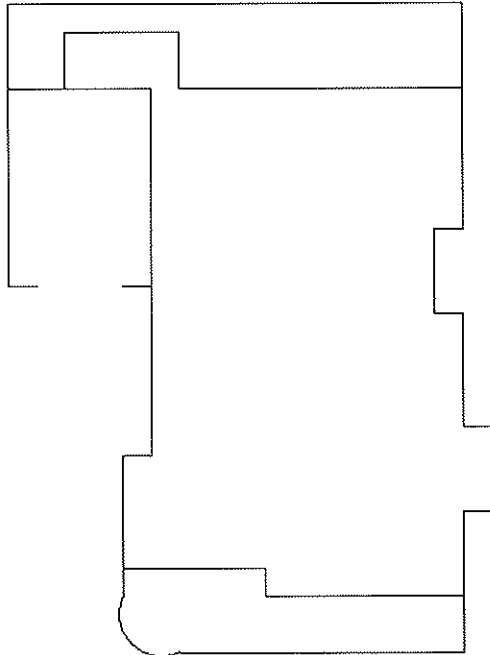
- A. Inspectors shall perform services and express opinions based on genuine conviction and only within their areas of education, training, or experience.
- B. Inspectors shall be objective in their reporting and not knowingly understate or overstate the significance of reported conditions.
- C. Inspectors shall not disclose inspection results or client information without client approval. Inspectors, at their discretion, may disclose observed immediate safety hazards to occupants exposed to such hazards, when feasible.

3. Inspectors shall avoid activities that may harm the public, discredit themselves, or reduce public confidence in the profession.

- A. Advertising, marketing, and promotion of inspectors' services or qualifications shall not be fraudulent, false, deceptive, or misleading.
- B. Inspectors shall report substantive and willful violations of this Code to the Society.

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

BUILDING NO. 380	STREET COLORADO AVE	CITY PALO ALTO	ZIP 94306	Date of Inspection 07/01/2015	NUMBER OF PAGES 1 of 6
<h1 style="margin: 0;">WESTERN</h1> <h2 style="margin: 0;">EXTERMINATOR COMPANY</h2> <p style="margin: 0;">1611 Terminal Avenue San Jose, CA 95112-4393</p>				<p>(408) 436-6555 - Phone #</p> <p>(408) 436-2877 - Fax</p> <p>http://www.westernexterminator.com/</p> <p>PR 6639</p> <p>Rpt# 7062659561</p>	
				<p>Ordered by: KELLER WILLIAMS 525 HAMILTON AVE APT A PALO ALTO, CA 94301</p>	
<p>COMPLETE REPORT <input checked="" type="checkbox"/> LIMITED REPORT <input type="checkbox"/> SUPPLEMENTAL REPORT <input type="checkbox"/> REINSPECTION REPORT <input type="checkbox"/></p>					
<p>GENERAL DESCRIPTION: This is a two story, stucco, single family residence. It has an attached garage. It was vacant at the time of inspection.</p>				<p>Inspection Tag Posted: Subarea.</p> <p>Other Tags Posted:</p>	
<p>An inspection has been made of the structure(s) on the diagram in accordance with the the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.</p>					
<p>Subterranean Termites <input type="checkbox"/> Drywood Termites <input type="checkbox"/> Fungus/Dryrot <input type="checkbox"/> Other Findings <input type="checkbox"/> Further Inspection <input type="checkbox"/></p> <p>If any of the above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items</p>					
<p>Key: 1 = Subterranean Termites 2 = Drywood Termites 3 = Fungus/Dryrot 4 = Other Findings 5 = Further Inspection</p>					



READ AND APPROVED

SIGNATURE _____

SIGNATURE _____

DATE _____

Inspected By Jeffrey Nieman License No. FR31691 Signature *Jeffrey Nieman*

You are entitled to obtain copies of all reports and completion notices on this property report to the Structural Pest Control Board during the preceding two years. To obtain copies contact: Structural Pest Control Board, 2005 Evergreen Street, Suite 1500, Sacramento, California 95815-3831.

NOTE: Questions or problems concerning the above report should be directed to the manager of the company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control Board at (916) 561-8708, (800) 737-8188 or www.pestboard.ca.gov. (form t1w - 3.15.08) 43M-41 (Rev. 10/01)

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What Is A Wood Destroying Pests and Organisms Inspection Report?

Please pay special attention to the following two paragraphs which explain the scope and limitations of a Structural Pest Control Inspection and a Wood Destroying Pests and Organisms Inspection Report.

A "Wood Destroying Pests And Organisms Inspection Report" contains findings as to the presence or absence of evidence of wood destroying insects or organisms in visible and accessible areas on the date of inspection and contains our recommendations for correcting any infestations, infections, or conducive conditions found. The contents of the Wood Destroying Pests and Organisms Inspection Report are governed by the California Structural Pest Control Act and its Rules and Regulations.

Some structures may not comply with building code requirements or may have structural plumbing, electrical, heating and air conditioning, or other defects that do not pertain to wood destroying organisms. A Wood Destroying Pests and Organisms Report does not contain information about any such defects as they are not within the scope of the license of the inspector or the company issuing this report.

Local treatment is not intended to be an entire structure treatment method. If infestations of wood-destroying pests extend or exist beyond the area(s) of local treatment, they may not be exterminated.

NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e., termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have the right to seek a second opinion from another company.

According to available records, this structure was built in 2008.

The following certification is in compliance with the Structural Pest Control Act, Section 8519 of the Business and Professions Code, and pertains to the visible and accessible areas inspected on the date of our Original Inspection Report, and Supplemental Inspection Reports, if any, and does not imply the absence or presence of infestation or infection in areas where further inspection was recommended and not completed.

This is to certify that the above property was inspected on July 1, 2015 in accordance with the Structural Pest Control Act and Rules and Regulations adopted pursuant thereto, and that no evidence of active infestation or infection was found in the visible and accessible areas.

THANK YOU FOR CHOOSING WESTERN EXTERMINATOR COMPANY.

If you have any questions concerning this Report or if we can be of any additional service, please call us at 1-800-WEST-EXT (1-800-937-8398).

LEAD-BASED PAINT NOTIFICATION: Federal Environmental Protection Agency (EPA) regulations require that certain precautions be taken to protect you and your family from any lead-based paint dust which might be disturbed during the course of our work. Any contractor that disturbs painted surfaces in homes, childcare facilities, and schools, built before 1978, must be certified by the EPA and follow specific work practices set forth by the EPA to prevent lead contamination. As an EPA lead-safe certified firm, Western Exterminator Company will take all necessary precautions and exercise lead-safe work practices to minimize and contain any lead dust and debris in compliance with EPA regulations. If you have

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any questions about the EPA regulations, or if you plan to do any work yourself, you can contact the National Lead Information Center at 1-800-424-LEAD (1-800-424-5323).

(This notice is provided in compliance with California's Proposition 65.) Lead is a chemical known to the State of California to cause cancer and birth defects or other reproductive harm.

Building Permits: In some cases, report items listed will require a building permit from the local building department. Any additional work required by the local building department, or required to remedy additional damage not noted in the report, but discovered in the performance of the work agreement, or change in the manner of scope, type, or the nature of the work item to be performed, due to the request of the building department or any other party, will not be done until a separate written agreement is authorized by the Customer or Customer's Agent, and accepted by Western Exterminator Company.

The exterior surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractor's State License Board.

This property was inspected for visible and accessible evidence of wood destroying organisms such as wood rot by fungi. The inspection and this report do not address fungi other than wood destroying fungi, nor do they assess the health impacts of any fungus, including wood destroying fungi. We are neither qualified, authorized nor licensed to inspect for health-related fungi, including molds, or to make an opinion as to the health impacts of any fungus, including wood rot fungi. If you desire information about the presence or absence of health-related fungi, including molds, you should contact a qualified industrial hygienist or other relevant health professional.

Areas above the first story eaves are inaccessible for physical inspection due to height, and are not included in our Report, unless our visual inspection from the ground revealed conditions that need further inspection.

Attic area is inaccessible for inspection due to insulation concealing the ceiling joists which prevents safe passage. Due to hazardous footing, our inspection is limited to the areas visible from the attic access opening only.

Upstairs stall shower not water tested due to finished ceiling below. No water stains were noted.

The subfloor is insulated below the structure. There is no evidence of any infestations in these areas; however, this insulation could possibly conceal infestations. We assume no responsibility for any infestations concealed by this insulation.

The hall bath stall shower(s) water tested and no leakage noted.

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ARBITRATION OF DISPUTES

BY RELYING ON THIS WOOD DESTROYING ORGANISMS REPORT, YOU AGREE THAT ANY CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO WESTERN'S INSPECTION AND/OR THIS REPORT SHALL BE SETTLED BY BINDING ARBITRATION IN ACCORDANCE WITH THE CONSTRUCTION INDUSTRY ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, AND JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF.

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DISCLAIMER

Items relate to locations, accessibility, conditions, infestations and infections noted at the time of this inspection. Although we make a visual inspection there are areas, which are inaccessible for inspection. These include areas to which there is no access without defacing or tearing out lumber, masonry, or finished work. We do not move furniture, appliances, or raise floor coverings, nor do we routinely inspect the following areas: behind or under built-in cabinet work, behind or under appliances, beneath floor coverings, under concrete slabs; the interiors of hollow walls, bay windows, porte cocheres, columns or abutments. Unless there are specific areas noted in the body of this Report, any further inspection other than set forth in this Report would be impractical. This inspection only pertains to the structure(s) indicated on the diagram. This Report is a statement of conditions at the time of this inspection only. Western Exterminator Company does not certify the water integrity of roofs. Please read all of the information contained with this Report. We recommend all items in our Report be completed. If others perform work we cannot be responsible or certify absence or presence of infestations or infections if this Company is not contacted to reinspect prior to closing any areas. Western Exterminator Company will not guarantee work performed by others. This Report is not to be used to satisfy escrow requirements unless our inspection fee is paid. See the attached Work Order for the cost of recommended items. An authorized signature is necessary before any work can be performed.

REINSPECTION

A reinspection will be performed if requested by the person who ordered the complete inspection. The request for reinspection must be made within four months of the complete inspection. The reinspection will be performed within ten working days of the request. The fee for a reinspection shall not be more than the complete inspection fee.

GUARANTEES

Western Exterminator Company guarantees the work completed by this Company for a period of one year from the date of completion unless otherwise stated in the body of this Report, with the exception of plumbing, grouting, caulking, resetting of toilets, resetting of enclosures, or floor coverings, which are guaranteed for 30 days, as these are Owner maintenance areas.

HOMEOWNER PROTECTION POLICY

A Homeowner Protection Policy may be available at the end of the Guarantee Period.

Western Exterminator Company always strives to provide its customers with the most efficient methods of pest control. We continually provide our employees with constant, on-going education so they can provide our customers with the best possible service results, and so we can use pesticides in the safest possible manner for our customers and ourselves. In accordance with our sense of responsibility for the safety of our customers and employees, we ask that you read the following:

CALIFORNIA STATE LAW REQUIRES THAT YOU BE GIVEN THE FOLLOWING INFORMATION:

CAUTION - PESTICIDES ARE TOXIC CHEMICALS "Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the state finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized." If within 24-hours following application you experience symptoms similar to common seasonal illness comparable to the flu (Pesticides with non-flu like symptoms are asterisked below), contact your physician or poison control center (telephone number listed below) and your pest control operator immediately. For further information contact any of the following: Your local office of Western Exterminator Company; for Health Questions - Your County Health Department (telephone number listed below); for Application Information - Your County Agricultural Commissioner (telephone number listed below); and for Regulatory Information - The Structural Pest Control Board, (800) 737-8188, 2005 Evergreen Street, Suite 1500, Sacramento, California 95815-3831.

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POISON CONTROL CENTER
(800) 876-4766

CALIFORNIA COUNTY AGRICULTURAL COMMISSIONERS
Santa Clara (408) 918-4600

CALIFORNIA HEALTH OFFICES
Santa Clara (408) 918-3400

LISTED BELOW ARE PESTICIDES THAT MAY BE USED ON YOUR PROPERTY DURING THE COURSE OF OUR WORK*:

*The names of materials actually used during each visit will be on the Completion Notice or the Invoice / Service Slip.

*Alpine Ant & termite Foam (Dinotefuran), Altriset (Chlorantranilnitrole), Cy-Kick Crack and Crevice Pressurized (Cyfluthrin), Drione Insecticide (Pyrethrins/ Silica Gel/ Piperonyl Butoxide), Jecta (Disodium Octaborate Tetrahydrate), Mother Earth Pro Citra DL (D-Limonene), Premise 75 Insecticide (Imidacloprid), Premise Foam (Imidacloprid), Recruit AG (Noviflumuron), Recruit HD (Noviflumuron), Recruit IV (Noviflumuron), Suspend SC (Deltamethrin), Tengard SFR (Permethrin), Termidor Dry (Fipronil), Termidor SC (Fipronil), Tim-bor (Disodium Octaborate Tetrahydrate), XT-2000 (D-Limonene). Fumigants: Chloropicrin** and Master Fume (Sulfuryl Flouride)***.

* Except as noted, effects of overexposure to these materials can include nasal and respiratory irritation, dizziness, headache, and fatigue.

** Effects of overexposure to this material will cause teary eyes.

*** Effects of overexposure to this material can include poor coordination, slurring words and confusion.



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SAN MATEO/SANTA CLARA COUNTIES ADVISORY
 Revision Date 05/13



INTRODUCTION: This Advisory is intended to be used in connection with the purchase and/or sale of real property located within San Mateo or Santa Clara County. PRDS does not warrant or guarantee the accuracy of the information contained in this Advisory or the adequacy of this information in connection with any specific real property transaction. This Advisory was created as of May 2013 and the information in this Advisory may change over time and/or new issues may develop due to actions taken at the federal, state, county, city and/or private, local level. Some of the issues that are covered in this Advisory are point of sale or retro-fit requirements that may also get triggered by remodeling efforts or efficiency requirements. Sellers and Buyers should investigate the applicability of these requirements to the past, present and future sale, purchase, ownership and/or development of the Property.

- Sellers must understand the importance and significance of their disclosure obligations. Sellers need to take the time to carefully and fully complete all aspects of the disclosure documents. Sellers must disclose anything that is known to the Sellers that materially affects the value or desirability of the Property. Sellers who need help in completing their disclosure obligations, including what to disclose and how to disclose it should consult with their own attorney; Brokers cannot determine the legal sufficiency of any disclosure.
- Sellers and Buyers should read this Advisory in conjunction with a careful review of all disclosures required by Sellers and by the real estate Brokers involved in the transaction including, without limitation, the Transfer Disclosure Statement and any Supplemental Seller Disclosure.
- Buyers are responsible for conducting their own investigations into the issues discussed in this Advisory and any issues that are not referenced below that may affect the Buyers' determination of the value or desirability of the Property. Buyers have the right to condition their purchase on conducting such investigations. Buyers should conduct all necessary investigations prior to the Buyers' removal or waiver of any contractual inspection contingencies to avoid owing Sellers any potential damages. Buyers are urged to do all of the following:
 - Carefully read the information contained in any advisories, disclosures, inspections, and/or reports that Buyers receive from any source.
 - Conduct additional/further investigations and inspections regarding any issues that concern Buyers which are raised in those advisories, disclosures, inspections, and/or reports received by Buyers from any source.
 - Thoroughly and thoughtfully inspect and evaluate the Property and, in so doing, meet Buyers' obligation to protect themselves, including those facts which are known to or within the diligent attention and observation of the Buyers.
- Buyers need to inquire into other or additional matters (beyond those contained in this Advisory) to the extent that those additional issues affect the Buyers' determination of the value or desirability of the Property.
- Buyers must bear in mind that a Property may suffer defects and deficiencies which neither Sellers nor Brokers are aware. Buyers should also recognize that not all issues can be objectively determined and some issues can have varying impacts on different people since some people may be more sensitive than others.
- Buyers are urged to engage licensed professionals to evaluate all aspects of the Property and to consult all appropriate governmental agencies during their inspection contingency period. Buyers' right to conduct certain types of investigations may be limited by the Purchase Contract.
- Broker has not and will not verify licensing and insurance information of third parties nor determine if the people who prepare inspection reports or perform repairs are properly licensed to provide those services. Broker cannot and will not determine if the reports prepared by third parties or any repair work performed by third parties has been properly completed.
- Any representations about the issues in this Advisory made by third parties have not been verified by Brokers and need to be independently confirmed by Buyers.
- **Although licensed to list, sell and lease real estate, Brokers may not have expertise on the issues in this Advisory.**

1. EXISTING HOUSING STOCK: Many properties in this area have been built under different building codes. Regardless of the age of the Property, Buyers should have the Property inspected by a competent property inspector and to have any additional inspections that are recommended in any inspection report, or as may be necessary or desired by Buyers to determine the actual condition of the Property. The Property's components, appliances, fixtures, systems and materials may have varying degrees of remaining useful life and may be subject to failure without notice. In addition, not all components, improvements or fixtures of the Property may comply with current code, zoning, health and safety, setback requirements, religious or cultural preferences. Some homes contain appliances, products or manufactured materials, such as Chinese dry wall, which may be defective, create problems with the use or value of other aspects of the home and/or may be subject to manufacturer or governmental recall and/or a class action lawsuit. All homes include many components which require ongoing maintenance. Deferred maintenance will decrease the lifespan and/or functionality of many of these components. Buyers should seek reliable advice from appropriate professionals and to plan/budget for maintenance and future repairs. Brokers have not verified any of the issues discussed in Paragraph 1.

2. FLOORS AND WALLS: Sellers' personal property may make a visual inspection of floors and walls difficult. The existence of certain types of flooring (such as carpeting and rugs), some wall coverings (such as wallpaper and paneling) and the presence of furniture may prevent Buyers, inspectors and Brokers from fully inspecting the condition of floors and walls. When exposed, these areas may have a different pattern of wear or shade of color. In order for Buyers to determine the actual condition of the floors and walls beneath such coverings, Buyers will need to secure the written authorization of Sellers to conduct investigations with licensed professionals during Buyers' inspection period, if any, since destructive testing may be required.

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB IOT tempered where tempered glass IS required by building regulations. Buyers should have a contractor identify glass that is not properly tempered during Buyers' inspection period, if any. Buyers should replace any non-tempered glass with tempered glass to reduce the risk of injury.

4. FIREPLACES, WOOD-BURNING APPLIANCES AND SPARK ARRESTORS: If the Property has a fireplace or wood-burning appliance, it may be subject to ordinances that may restrict or prohibit usage. Many cities and towns have enacted or are considering ordinances that may affect existing and future fireplaces or wood-burning appliances at the Property, including but not limited to the need for spark arrestors on chimneys. Buyers should contact all relevant public agencies regarding the applicability of this type of ordinance to Buyers' intended use of the Property.

5. SIZE AND AGE: Any representations regarding square footage, number of rooms, or age of Property improvements that have been obtained from third parties have not been verified by Brokers. Such figures, including those from assessor's records, are only approximations, may not be accurate and should not be relied upon. If square footage, number of rooms or age of the Property is important to Buyers, then Buyers must verify same by hiring an appraiser during Buyers' inspection period, if any. If lot size or location of boundaries is important to Buyers, then Buyer should hire a surveyor during Buyers' inspection period, if any.

6. SEPTIC SYSTEMS AND WASTEWATER TREATMENT SYSTEM REGULATIONS: If the Property has a Septic System (usually consisting of a septic tank, cesspool, leach lines, a leach field, pits, or a combination thereof), Buyers should obtain a current, written inspection report from a licensed professional regarding the condition and adequacy of the System for the Buyers' specific needs. Visual inspection of the tank alone is insufficient. Buyers' lender or government agencies may require an inspection and testing of the Septic System. Brokers make no representations as to the condition, capacity, operability or expandability of the Septic System.

Expansion or remodeling of the dwelling may be restricted or even denied due to the existence of a Septic System. Securing approval for changes in the dwelling may be conditioned upon testing, removal, repair, expansion, or other changes to the System (e.g., connection to sewer 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. Buyers should investigate these issues at appropriate government agencies and with qualified licensed professionals (e.g., architects, contractors, engineers) during Buyers' inspection period, if any. For more information about OWTS/Septic System regulations, Buyers should contact the State Water Resources Control Board at (916) 341-5250 and by reviewing the SWRCB's website: <http://www.swrcb.ca.gov/ab885/index.html>.

7. SEWERS AND SEWER LATERALS: A number of public sanitary districts and private sanitary entities serve various communities and some have different rules and regulations regarding fees and costs. Buyers need to determine whether or not the Property is part of such a district and Buyers need to make arrangements with the Seller to transfer any necessary rights to any private sanitary entities. Some sanitary districts and private entities have implemented various requirements, restrictions and costs relating to participation, usage, maintenance, and type of equipment used in connection with sewers, such as sewer lateral clean-outs, backflow prevention devices and drainage into sewer systems. Many cities have enacted ordinances requiring the abatement of sewer laterals (from the building served to the clean out in the city's right of way) which are leaking. Such ordinances require testing and repair of sewer laterals prior to sale under certain circumstances. Testing, repair and/or replacement of the sewer laterals may be required when transferring title, remodeling and/or expanding the residence and/or when changing plumbing fixtures or service. Buyers should contact the applicable public district or private entity to determine what, if any, action must be taken with respect to sewer systems and sewer laterals during Buyers' inspection contingency, if any.

If the Property has a private sewage disposal system, some jurisdictions, upon transfer of ownership, may require an inspection of the system, a written report and possible requirements for hook-up to a public sewer system depending upon the proximity of the Property to a public sewer system.

A number of jurisdiction require certification procedures which may need to be completed on or before the close of escrow and, if not, within a fixed period of time after close of escrow; penalties for noncompliance can be imposed. Each jurisdiction has its own unique requirements which Buyer should research during Buyer's inspection contingency, if any.

Even though the Property may be located in a sanitary district or subject to a sewer assessment, the Property may not be (and may not be entitled to be) connected to the sewer system. There may be a separate cost for the installation and connection of the Property to the sewer system and/or other actions that must be taken by Sellers and Buyers to transfer rights. Buyers should retain qualified professionals to evaluate the Property so as to determine the existence and condition of any sewer connections; that evaluation may require a video "scoping" of the system and/or pressure testing.

Brokers have not verified any of the issues discussed in Paragraph 7.

8. WATER AND WELL SYSTEMS: The Property may be served by a well, a spring, public or private water systems, or a combination thereof. Buyers should consider requesting that Sellers complete the PRDS Well and Private Water System Checklist form if the Property has a well and/or is served by a private water system. Buyers should hire qualified professionals to determine the water source and have the water system and its components inspected. Water may contain bacteria, chemicals, metal, minerals, and/or may emit odors. The availability, quantity, quality and potability of the water should be tested and some cities require testing of water pressure. Results of such testing may vary by season and may change over time due to geological events and other factors. Any testing and/or inspection of water availability, quantity, quality and/or potability should be conducted by qualified professionals and contacting appropriate governmental agencies. Brokers have not verified any of the issues discussed in Paragraph 8.

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB and San Martin contain the chemical perchlorate. Other wells in Santa Clara County may be contaminated by this or other chemicals. Any questions about possible chemical contamination, including but not limited to its impact on any given Property, should be directed to the Santa Clara Valley Water District by calling (408) 265-2607 or visiting their website at www.valleywater.org.

The Santa Clara Valley Water District manages water resources and provides stewardship for the county's five watersheds, including 10 reservoirs (such as the Anderson Reservoir), hundreds of miles of streams and groundwater basins. The District captures local rainfall in the reservoirs throughout the winter months. Then in the spring and summer, the District makes releases from the reservoirs to replenish the underground water supply. Because the amount of local rainfall cannot be predicted, there is no way to guarantee that any given Reservoir will fill up each winter or that there will be sufficient water for all purposes, including recreation facilities. Brokers are not experts on this topic. Buyers can obtain additional information from the Santa Clara Valley Water District by calling (408) 265-2607 or go to the following website: www.valleywater.org.

9. WATER SHORTAGES AND CONSERVATION: The Property may be subject to water shortages, conservation, usage and other measures, such as water hook-up restrictions and, at various times, rationing including the need to bring in water from outside sources. The policies of local water districts and/or the city or county in which the Property is located can result in limitations on the amount of water available to the Property, restrictions on the use of water, and an increasingly graduated cost per unit of water use, including, but not limited to, penalties for excess usage. For further information, Buyers should 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 Buyers' intended use of the Property. If the Property is serviced by a private well or private water system, 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. Buyer should contact water supply companies for the costs involved.

10. WET WEATHER CONDITIONS: California experiences a wide range of weather conditions and at times has heavier than usual rainfall. During heavy rains, properties may become susceptible to earth movement, drainage problems and/or flooding. Properties which may not have experienced past water intrusion into or under improvements may experience these conditions due to weather-related phenomena. Sellers are obligated to disclose to Buyers those defects or conditions known to Sellers which affect the value or desirability of the Property; however, not all Sellers may be aware of recent changes in the condition of a Property or its improvements caused by unusually wet weather. Buyer should investigate these issues and conditions with licensed geotechnical engineers or other licensed engineers during Buyers' inspection period, if any.

11. WATER INTRUSION: Many homes suffer from water intrusion or leakage. The possible causes of water intrusion are varied, and may include defective construction, faulty grading, deterioration of building materials and absence of waterproofing. Water intrusion can cause serious damage to the Property including but not limited to 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. Simply because there is no visual evidence of water intrusion does not mean that such intrusion does not exist. Buyers should have the Property inspected for water intrusion by a licensed professional during Buyers' inspection period, if any.

12. GROUND WATER, NATURAL SPRINGS AND WATER RUNOFF: Some properties have high water tables that can lead to water intrusion problems, intensify mold growth and compromise the stability of soils and/or foundations. High water tables may affect septic systems, wells and the use and enjoyment of the land, particularly during months of heavy rain. Many properties have natural springs and/or rain water runoff issues that may result in standing water, dry rot, flooding, mold, foundation failure or other potential water damage to improvements. Hillside properties or properties with retaining walls may be more susceptible to these issues. Buyers should retain geo-technical engineers and some civil engineers to help evaluate the effect of high water tables on the Property and when necessary consider drainage modifications to protect the structure and improve the value, development, use, and/or enjoyment of the surrounding area. If the Sellers' disclosures, any visual inspection of the Property, or any professional inspection report indicates a past or current water-related issue, Buyers are strongly encouraged to thoroughly investigate the problem, even if it is common to the area to determine its cause and the possible repair cost to rectify the problem with licensed professionals during the Buyers' inspection period, if any. Brokers have not verified any of the issues discussed in Paragraph 12.

13. CREEKS AND CULVERTS: 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 near a creek or culvert, Buyer should investigate the possibility of flooding and/or water intrusion that may result from those water sources with licensed professionals during Buyers' inspection period, if any. In addition, federal, state, county and some city entities and agencies have enacted regulations regarding creeks and culverts.

Some municipalities have implemented land management programs to keep creeks and groundwater clean. Due to pressures from development, all potential sources of environmental pollution are coming under public scrutiny, including farming and horse property. Buyers should investigate the County's land management programs during their inspection period, if any, at the following website: <http://www.sccgov.org>.

14. LEVEES: A levee is an embankment to prevent a river or body of water from flooding bordering land. Due to proximity to various bodies of water and waterways, several geographic areas have existing levees or require the construction of a levee(s). The Federal Emergency Management Agency ("FEMA") is responsible for certifying that any existing or proposed levees will protect an area against certain flood levels. FEMA is in the process of digitizing and updating their Flood Insurance Rate Maps ("FIRM") for several areas. All levees must be properly maintained and FEMA has indicated that certain levees need to be improved. The current and future existence

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB . Brokers are not qualified to determine whether or not the Property is or will be impacted by the existence, maintenance, improvement or construction of any levee. For more information contact the relevant County government or FEMA at <http://www.fema.gov>.

15. WOOD DESTROYING PESTS AND ORGANISMS: The presence of wood destroying pests or organisms can cause damage to the structures on the Property. To determine whether such pests or organisms are present, Buyer should have the Property inspected during Buyers' inspection period, if any, by a licensed structural pest control company which will issue a written report separated into two sections: Section 1 will identify areas where current infestation or infection is evident. Section 2 will identify conditions which will likely lead to infestation or infection. The costs for such inspection, and for any repairs, should be agreed upon as part of the Purchase Contract.

16. PETS, ANIMALS AND PESTS: Current or previous owner(s) may have had domestic and/or other indoor or outdoor animals on the Property; animals can cause various types of damage to Property. Odors from animal urine or waste may be dormant for long periods and then become active because of heat, humidity or other factors such as some cleaning techniques, or be temporarily masked by other odors such as fresh paint or new carpet. Animal urine and feces can also damage floors, floor coverings, walls, baseboards, or other components. Additionally, animals can attract fleas, ticks and other pests that can remain on the Property after the animal has been removed. Complete elimination of odors and other problems created by animals may not be possible even by professional cleaning efforts or replacing carpets, pads and other affected components.

The Property may be subject to ordinances regulating the maintenance, breeding, number, or type of animals permitted, or other requirements such as spaying or neutering. Homeowner and Common Interest Associations often impose additional restrictions on animals. Buyers should investigate such restrictions during their inspection period, if any. Neighbors may have animals that can cause problems including but not limited to noise or odors. Common pets such as dogs can bark, cats are not easily contained, and in some cases more unusual animals (e.g. poultry, exotic birds, and reptiles) may create issues that impact the value, use and enjoyment of the Property.

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

17. POWER LINES AND POWER PLANTS: Cities and counties receive electrical service through power lines from power plants that may be located in proximity to the Property. The Property may be impacted by an easement for the benefit or use of utilities and/or impacted by the existence of high voltage lines, transformers, other types of power equipment and/or electro-magnetic fields. All areas have experienced power outages caused by various factors at various times. Buyers should investigate the impact that any of these issues may have on the value, development, use, and/or enjoyment of the Property with the local utility, the State Public Utilities Commission and appropriate professionals.

18. UNDERGROUND UTILITIES AND PIPES: Some communities have begun the process of relocating utility lines underground in order to remove the utility poles in the neighborhood. These projects can result in special tax assessments, increased costs for homeowners and temporary disruptions of the neighborhood. Water, natural gas and other types of fuels are delivered to communities through a network of underground pipes that are connected to residential and commercial properties. Some areas have been adversely impacted by disruptions in service or damage to these underground pipes including, but not limited to, the destruction of homes. The general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. Buyers should investigate these issues with the appropriate municipality and/or Pacific Gas and Electric Company ("PG&E") to determine if the Property is or will be impacted by underground utilities and/or pipes.

19. RE-KEYING: Buyers are advised to re-key all locks upon possession. Alarms, if any, may be leased and should be serviced by professionals and codes should be changed. Garage door openers and remotes should be re-coded

20. LOT SIZE AND BOUNDARIES: Only a land surveyor can reliably confirm square footage, lot size, property corners and exact boundaries. Representations regarding these items in the Multiple Listing Service, advertisements, computer generated property profiles and data in 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 representations regarding lot size and boundaries. If these issues are material to Buyers, they should not rely on any representations without independently verifying the size and boundary locations by hiring a licensed surveyor to investigate these issues during Buyers' inspection period, if any.

21. SOILS AND GEOLOGIC CONDITIONS: All land in California is subject to settling, slippage, subsidence, earthquakes and other forms of movement. The geologic forces that have shaped California over the eons are still active today. Much of California has expansive or adobe soil which can expand and contract depending upon the amount of water in the soil. Soil expansion and contraction can cause movement or shifting of structures, foundations and the land. Hillside properties are frequently active or potentially active landslide areas which can negatively impact the Property itself and surrounding properties. The Property may be constructed on fill or improperly compacted soil and/or have inadequate drainage capability. Buyers should confirm the legality, enforceability and/or scope of any easements (whether recorded or not) to deal with all surface and ground water with an attorney. Additionally, the Property may

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB These issues can cause structural problems or destruction of improvements on the Property and/or impact the ability to develop the Property. Buyers should retain geo-technical engineers and/or some civil engineers to evaluate soil stability, grading, drainage and other soil conditions of the Property to determine how these forces may affect improvements to the Property, and when necessary consider drainage modifications to protect the structure and improve the use and enjoyment of the surrounding area. Buyers should not simply rely on geologists or companies that review governmental maps (see Paragraph 37) For further information, Buyers should contact licensed geo-technical professionals during Buyers' inspection period, if any.

22. EASEMENTS, ENCROACHMENTS, PUBLIC TRAILS, ACCESS RIGHTS, PRIVATE ROADS & MAINTENANCE AGREEMENTS: Sellers need to disclose all known facts relating to the location, existence, maintenance and/or other obligations of any easement, access right, shared or private road/driveway, shared or private well systems and components, public trails and/or any possible encroachments affecting the Property. Buyers should investigate these issues by having a real estate attorney evaluate all relevant documents, whether recorded or not.

Some communities have created and maintain public trail systems which abut private residences. Trails may be used by pedestrians, bicyclists, horseback riders and other animals; as such, the proximity of public trails may impact the value, development, use and/or enjoyment of the Property.

Only a surveyor can confirm the exact location of easements, trails, shared or private roads/driveways and/or encroachments. There may be unrecorded easements, access rights, encroachments and other agreements affecting the Property that may not be known by the Sellers or cannot be determined by a survey and/or a title search. Representations regarding these issues in the Multiple Listing Service, advertisements, or plotted by a title company are often approximations, or based upon inaccurate or incomplete records.

The use or maintenance of the Property or other property(s) by Sellers or others may or may not establish an actual easement, access right, shared or private road, driveway, maintenance obligation or encroachment. Where no written agreement exists to establish a perceived use or obligation, Buyers should have these issues evaluated by a real estate attorney. Brokers have not verified any representations made by third parties regarding any matters identified in Paragraph 22.

23. VIEWS AND VIEW ORDINANCES: Views from the Property may be affected by weather conditions, future development, growth of trees and vegetation on other properties, current location and/or future construction of cellular antennas and the use of any property within the line of sight of the Property. Buyers should review any Covenants, Conditions and Restrictions, government ordinances or regulations, or any other documentation which may impact views. Buyers should also contact neighboring property owners, government agencies, architects and homeowner associations, if any, during Buyers' inspection period, if any, to evaluate any issues that might impact the view. Brokers have not verified the ability to preserve existing views.

Some cities and counties have view ordinances to protect existing views which may limit the planting of new trees, restrict the height of trees and limit future construction. Properties that are subject to a view easement may be required to maintain their landscaping so as to prevent any unreasonable obstructions to the views of other property owners. Certain trees that are part of the natural habitat may be exempt from these local ordinances. Often a view property will have recently trimmed trees and shrubs revealing the view; maintaining that view could entail not only trimming foliage on the Property, but may also involve enlisting the cooperation of their neighbors to keep their foliage trimmed, possibly at Buyers' expense. Cities and counties do not often take an active role in these issues; rather they tend to encourage private resolution of such disputes. Each municipality has a slightly different mechanism for handling these situations, and Buyers should review the applicable Municipal or County Code/Ordinance during Buyers' inspection period, if any.

24. TREE ORDINANCES: Several municipalities have enacted ordinances to regulate and control the removal of trees in any given area. Some cities have identified Heritage or other significant trees that must be protected or preserved in certain areas. Permits may be required to cut down, destroy, remove or relocate designated trees. Buyers should read any applicable tree preservation ordinances, check with relevant governmental entities and consult with an arborist during their inspection period, if any, to determine the health of trees and whether or not any special action can or must be taken with respect to any trees on the Property. Brokers cannot determine the health of trees and/or whether or not any tree is subject to any particular tree preservation ordinance. The City of San Jose requires Sellers to make specific disclosures to Buyers regarding street trees on a separate form prior to the sale of residential property. If the Property is in the City of San Jose, Buyers should not close escrow without receiving the Sellers' Street Tree Disclosure form.

25. LAND LEASE: Some developments are built on leased land which means: (a) Buyers will not own the land; (b) the right to occupy the land will terminate at some future time; (c) the cost to lease the land may increase in the future; (d) Buyers may not be able to obtain insurance; (e) the ability to obtain or the cost of initial and future financing of the Property may be impacted; and (f) the value, development, use and enjoyment of the Property may be impacted. This list may not identify all issues. Buyers should obtain a copy of the Land Lease and discuss the practical and legal implications of owning a home on leased land with their own attorney or other appropriate professionals.

26. BUILDING PERMITS, ZONING AND CODE COMPLIANCE: Any structure, or portion thereof, on the Property, including the original building, any addition, modification, remodel, repair, improvement or second unit may have been built without permits, not according to building codes, and/or in violation of zoning laws and/or may not legally be used or occupied as contemplated by Buyers (collectively referred to as "nonconforming"). The existence of a nonconforming improvement may have a negative impact on appraised value, ability to obtain financing, require a retrofit, impact habitability, preclude insurance coverage and/or result in fees, penalties and government enforcement actions. In some cases, nonconforming improvements may be subject to removal by local governmental agencies including building, planning, zoning, environmental health, and code enforcement. Nonconforming or illegal rental units may

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB It is possible to legalize and/or bring such nonconforming improvements up to current code because of zoning or permit issues and/or other legal or regulatory limitations. Even if a nonconforming improvement was built according to the then-existing code or zoning requirements, it may not be in compliance with current building standards or local zoning. As such, commencing any new construction or remodeling projects may not be possible or may require bringing nonconforming improvements into compliance with current requirements. It is also possible that local law may not allow nonconforming improvements that now exist to be rebuilt in the event of damage or destruction. While Sellers are obligated to disclose any known nonconforming improvements, Sellers may not be aware of all noncompliant or illegal improvements or uses especially those that were made prior to the Sellers' ownership of the Property.

Buyers are strongly urged to investigate the status of all possible nonconforming improvements by reviewing all files maintained by any governmental agencies for the Property including those listed above as well as obtaining the advice of contractors, architects, engineers or other professionals to verify the actual status of all permits, legal requirements and the effect of such requirements on past, current and future use of the Property, its development and size limitations during the Buyers' inspection period, if any. Brokers 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. Brokers have not verified any of the issues detailed in Paragraph 26 and thus cannot determine the ability of Buyers to change or develop the Property.

27. FUTURE REPAIRS, REPLACEMENTS AND REMODELS: Various governmental agencies impose limitations and restrictions regarding house size, configuration, design, materials and/or development of the Property. Replacement or repairs of certain systems or remodels of portions of 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 increased costs to repair existing features or the inability to make any future repair, replacement, remodel or addition to the property. Changes to state and federal energy efficiency regulations impact the installation, replacement and some repairs of heating and air conditioning units (HVAC). State regulations require that when installing or replacing HVAC units, duct work must be tested for leaks in some coastal areas. Home warranty policies may not cover such inspections or repairs. For further information on any of these issues, Buyers should obtain the advice of contractors, architects, engineers or other professionals and investigate with the appropriate governmental agency (e.g. building, planning, zoning, environmental health, code enforcement), and/or the California Energy Commission's website <http://www.energy.ca.gov/title24/changeout> during Buyer's inspection period, if any.

Many people use unlicensed repair people to save money. However, using unlicensed repair people may create problems because they may not be qualified to do the work, they may not know all of the legal requirements for performance of that work, they may not have insurance, performance bonds or other means to enable them to financially stand behind the work performed.

Brokers have not verified any of the issues detailed in Paragraph 27 and thus cannot determine the ability of Buyers to change or develop the Property or the quality of work that has or will be performed by any repair people.

28. SMOKE DETECTORS: Some cities or counties may require a smoke detector inspection by a qualified inspector prior to the transfer of title. Fire departments vary from District to District. Sellers and Buyers should contact the appropriate governmental agency and all applicable regulators regarding the type, number and/or location of smoke detectors. Buyers need to determine if an inspection or additional documentation is needed to certify proper installation and operation of the smoke detectors as well as the impact that these issues may have on the value, use, enjoyment or development of the Property.

29. RETROFIT, SAFETY & SECURITY REQUIREMENTS: State and/or local laws may require installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and others of swimming pools and hot tubs. State and/or local laws may require the installation of certain locking mechanisms on doors and window bars, operable smoke and carbon monoxide detectors, bracing or strapping of water heaters, and completion of a corresponding written statement of compliance that is delivered to Buyers. Some local governments may impose additional retrofit standards, including, but not limited to, installing low-flow toilets and showerheads, gas shut-off valves, spark arresters and tempered glass. Unless specifically agreed in the Purchase Contract, the Property may not be in complete compliance with applicable requirements. To determine the retrofit requirements and any applicable penalties for non-compliance, and to determine the extent to which the Property complies with such standards, consult with the appropriate government agencies. To determine the costs, if any, consult licensed construction professionals.

30. EPA REQUIREMENTS FOR PRE-1978 HOUSING: Beginning October 1, 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, (b) the use of lead-safe practices and other actions aimed at preventing lead poisoning, and (c) 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 further information, contact the U.S. EPA's Lead Information Center at 1-800-424-LEAD [5323], or go to: <http://www.epa.gov>. See also Paragraph 41 of this Advisory.

31. HISTORICAL DESIGNATION, COASTAL COMMISSION, AND OTHER RESTRICTIONS ON IMPROVEMENTS AND LAND USE: The Property may be designated as a historical landmark, protected by historical conservancy, subject to an architectural or landscaping review process, within the jurisdiction of the California Coastal Commission or other government agency, or subject to a contract preserving use of all or part of the Property for agriculture or open space. Specific structures, sites, trails, roads and natural features may be identified in a General Plan or local Specific Plan as requiring special treatment. If the Property is so designated then there may be restrictions on Buyers' ability to retain existing features of the Property, develop, remodel, improve, build or rebuild any of the structures

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB should investigate these issues during Buyer's inspection period, if any, by contacting the applicable governmental entities.

32. RENTAL PROPERTY: 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 the landlord to terminate a tenancy and the costs to do so. Buyers should investigate the issue with the appropriate governmental authority and/or an attorney during Buyers' inspection period, if any. If rental property is offered to the public, the owner and real estate agent must comply with all state and federal fair housing laws, including but not limited to making reasonable accommodations for individuals with service or companion animals.

33. 1915 BOND AND MELLO-ROOS COMMUNITY AND OTHER FACILITIES DISTRICTS: 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. 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 Sellers or local disclosure. Sellers are 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. The responsibility for prorating or paying taxes and assessments should be determined as part of the negotiations for the Purchase Agreement.

34. NOTICE OF YOUR "SUPPLEMENTAL" PROPERTY TAX BILL: Pursuant to Civil Code § 1102.6(c), Seller or Seller's agent is required to provide the following "Notice of our "Supplemental" 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 bill 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 regarding this matter, please call your Tax Collector's Office."

Although this statutory Supplemental Tax Bill Notice refers to a 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. For further information concerning these matters, Buyer should contact the County Assessor or Tax Collector. Parcel and other types of taxes may be added and/or increase over time.

35. FIRPTA/CALIFORNIA WITHHOLDING: Federal law requires Buyers to withhold and remit to the Internal Revenue Service 10% of the purchase price if a Seller is a non-resident alien, unless an exemption applies. Sellers may avoid withholding by providing Buyers with a statement of non-foreign status. The statement must be signed by each Seller under penalty of perjury and include each Seller's taxpayer identification number or by having a Qualified Substitute such as the escrow holder, state under penalty of perjury that the Substitute has the required taxpayer identification information. Buyers can also avoid the federal withholding requirement if the Property price is \$300,000 or less and the Buyers sign an affidavit stating that the Buyers intend to occupy the Property as a principal residence.

California law requires that Buyers withhold and remit to the California Franchise Tax Board 3 1/3% of the purchase price unless the Sellers sign 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 or legal advice. Buyers and Sellers should seek advice from a CPA, attorney or taxing authority.

36. DEATH: California law requires that all Sellers, whether or not they are exempt from completing any specific disclosure forms, must disclose any death on the Property that occurred within three (3) years of the date of transfer.

37. NATURAL HAZARDS DISCLOSURE: Unless exempt, Sellers must disclose known natural hazards on the Natural Hazards Disclosure Statement ("NHDS") form. Sellers generally retain the services of a third party Natural Hazards Disclosure ("NHD") company to review public records and maps to provide that information to Buyers. Even if a Seller is exempt or is otherwise not required to provide the NHDS, Buyers should still obtain a report from an NHD company regarding the natural hazards which could affect the use and development of the Property. Some NHD companies provide information based upon federal, state, county and local sources, but these sources are not always consistent with each other, the maps relied upon may change over time, and the thoroughness of the report may vary depending upon the company chosen and/or the cost of the report. Buyers should carefully review all of the sources relied upon in the NHD report. Not all NHD companies use the same sources and/or some do not include all of the local information. Buyers should not rely exclusively on the NHDS or the accompanying NHD reports for all information regarding natural hazards which may affect the Property. Buyers who have questions about any NHD reports should contact the NHD Company that issued that NHD report. Although some NHD providers are licensed geologists, they are not conducting a geological examination of the Property. Buyers should have the actual Property inspected by a licensed geologist, geotechnical engineer, or other licensed professionals to evaluate the past and current condition of the Property, so as to assess its value, future use and development. Brokers are not qualified to determine the location or extent of natural hazards and/or to explain the contents of NHD reports.

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quakes of varying sizes and frequency. There is always a potential for future earthquakes. Earthquake damage may not be discoverable by Buyer's or Broker's visual inspection. Inspection by a licensed structural engineer is strongly recommended to determine the structural integrity and safety of all improvements on the Property. If the Property is a condominium, or located in a planned unit or common interest development, Buyers should contact the Homeowners' Association regarding earthquake repairs and retrofit work. Buyers are encouraged to obtain and read the pamphlet entitled "The Homeowners Guide to Earthquake Safety." If the home was built prior to 1960, Sellers may be required to complete a questionnaire within that state pamphlet. If the Property was built before 1975 and contains structures built with masonry or precast (tilt up) concrete walls, then Sellers must provide Buyers with 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 review at city and county planning departments. Buyers should review public maps and reports and/or obtain a geologist's inspection report rather than relying solely on the NHDS (see Paragraph 36). Buyers may be able to obtain earthquake insurance; Sellers who agree to provide financing should also consider requiring Buyers to obtain such insurance.

39. EARTHQUAKE FAULT ZONES AND SEISMIC HAZARD ZONES: California law requires the delineation and mapping of "Earthquake Fault Zones" along known active faults and "Seismic Hazard Zones." Affected cities and counties must regulate construction projects within these zones. Improvement of affected properties may be subject to the findings of a geological report prepared by a registered California geologist. However, earthquakes and seismic hazards may occur outside designated zones. For further information, Buyers should make independent inquiries of any research company retained by Sellers (see Paragraph 37) or with appropriate government agencies concerning the use and improvement of the Property during the Buyers' inspection period, if any.

40. FIRE HAZARDS/ZONES: Fires annually cause the destruction of many properties in California. Due to climate and topography, certain areas have higher risks of fires than others and certain fire hazard zones are reported in the NHDS (see Paragraph 37). Certain types of materials used in home construction create a greater risk of fire than others. However, there is a potential for fires even outside designated zones. For further information, Buyers should contact the local fire department as well as Buyers' insurance agent regarding the risk of fires during Buyers' inspection period, if any.

State and/or local jurisdictions may require that homeowners maintain their property by means of weed/brush abatement, tree trimming and other measures to create "defensible space" in a fire hazard area. Buyers should consult with all applicable governmental agencies regarding any questions about fire safety zones and applicable regulations.

41. FLOOD HAZARDS/ZONES: The National Flood Insurance Program identifies flood plain areas and establishes flood-risk zones within those areas which are shown on the NHDS (see Paragraph 37). That 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. However, there is potential for flooding even outside designated zones. For further information, Buyers should consult their lender, insurance agent and/or the Federal Emergency Management Agency (FEMA) during Buyers' inspection period, if any.

42. ENVIRONMENTAL HAZARDS: The presence of certain environmental hazards such as 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, tri-chloro-ethane or tri-chloro-ethylene (a.k.a. "TCE"), and/or other conditions and materials may adversely affect the Property and may cause health problems to people and animals. Buyers should have qualified experts inspect the Property for existing and potential hazards during Buyer's inspection contingency period. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Buyers and Sellers should also read the pamphlets entitled, "Residential Environmental Hazards; A Guide for Homeowners, Homebuyers, Landlords and Tenants," and "Protect Your Family from Lead in Your Home."

43. MOLD: Mold is one type of environmental hazard. The presence of toxic and/or non-toxic mold, fungi, mildew and other organisms (collectively referred to as "Mold") may adversely affect the Property. Current information indicates that some types of Mold may cause severe health problems for certain individuals, but not everyone. Not all Molds are detectable as part of a visual inspection by a Broker or even a professional whole house inspector. It is also possible that the Property could have a hidden Mold problem that is unknown to the Sellers. The only way to provide any reasonable assurance that the Property does not have a Mold or other health hazard problem is to retain the services of an environmental expert to conduct specific tests at the Property. These tests customarily consist of an interior and exterior examination for airborne spores and a carpet test but other procedures may be necessary. Any visible Mold should be professionally evaluated. Brokers have not and cannot verify whether there is or is not any type of health hazard.

All Buyers should consider having a specific Mold test performed by an environmental professional as either a separate investigation or an add-on to their whole house inspection. This is especially necessary if a Buyer has a known problem with Mold and/or if any, of the inspection reports or disclosure documents indicates that there is evidence of past or present moisture, standing water or water intrusion at the property since most Mold thrives on moisture. All inspections, including those to detect Mold, should be completed during Buyers' inspection period. Any waiver or failure on the part of Buyers to complete and obtain all appropriate tests, including those for Mold, is against the Brokers' advice.

44. UNDERGROUND STORAGE TANKS (UST): Many homes may have or have had an Underground Storage Tank ("UST") for the fuel oil that fired the Property's furnace or for storage of gasoline or oil. As natural gas became the standard fuel for home furnaces, virtually all of the old furnaces were replaced. However, many UST remain buried on some properties and cannot be detected as part of a visual inspection. The California State Water Resources Control Board regulates all residential USTs in California. The licensing, inspection and regulation of residential USTs is currently not required if the tank is less than 750 gallons and was used for fuel oil only. However,

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB pt from abatement if a UST is discovered. Each municipality has different regulations concerning USTs that may include tank removal and soil cleanup of any toxic material that may have leaked from the UST. For further information contact the Public Work Department, Building Department and/or Fire Department for the Property.

45. GOVERNMENTAL SERVICES: Economic and other political factors may impact the cost, nature and extent of available governmental services including but not limited to law enforcement, fire protection, postal service and/or public works. Buyers should investigate the impact that these issues may have on the value, development, use and enjoyment of the Property during their inspection period, if any. Brokers have not verified the issues in Paragraph 45.

46. SCHOOLS: Neighborhood schools normally serving the Property may not have space available in the current or upcoming school years and some schools may be impacted by busing, overcrowding, financial cutbacks, academic achievement difficulties, possible closings and/or other issues. Each school district has its own rules regarding school assignments and these rules may change at any time with little notice. The ability to provide schooling for children with special needs varies greatly in different communities. Buyers should thoroughly investigate these and other issues with local school districts during Buyers' inspection period, if any. Brokers have not verified the issues in Paragraph 46.

47. NOISE/ODORS: Noise/odors levels and types of noise/odors that bother one person may be acceptable to others. Factors which can impact these subjective issues include, but are not limited to, various types of trains, buses, light rail, BART, freeways, nearby farming industry, construction, neighbors, animals and other causes. The Bay Area is also served by three international airports, several municipal and private airports and Moffett Field. Aircraft fly over virtually all residential areas creating noise levels that vary depending upon the aircraft type, size, altitude, time of flight, weather conditions and on the Property's proximity to flight paths and airports. Local amenities, facilities and services which add to the richness of the community may also produce noise at various times including but not limited to the Shoreline Amphitheater, Paul Masson Winery, Montalvo Center for the Arts, Great America, schools, parks and ball fields. Some coastal properties may be impacted by tsunami warning systems. Buyers should visit the Property at various days and times to personally determine noise levels; Buyers should also contact the respective transportation agencies to determine whether potential noise/odors levels are acceptable to Buyers and/or will impact the value, development, use and enjoyment of the Property.

48. SMOKING ORDINANCES: Santa Clara County and some cities in both San Mateo and Santa Clara Counties have or are in the process of enacting smoking ordinances regulating smoking pollution within certain types of residential property. These regulations may limit or affect where smoking is permitted, the terms of any applicable lease agreements, the smoker's responsibilities to others for the effects of second-hand smoke and other issues. Different rules may apply to multi-unit residences. CC& R's and homeowners' association rules and regulations may also address these issues. For more information, Buyer should go to the applicable governmental website and/or should contact the homeowners' association.

49. FREEWAYS, HIGHWAYS AND STREETS: The ability to travel on public roads varies greatly due to development, construction, weather, traffic congestion, and other factors such as peak travel times. There are a variety of public and private events and venues that can adversely impact travel during these activities and/or the value, development, use and enjoyment of the Property. Buyers should investigate their transportation needs during their inspection period, if any,

50. TRAINS AND BART: Cal-Train operates commuter trains from San Jose to San Francisco which run daily through and make various stops in Santa Clara and San Mateo Counties. A railroad train also runs between San Jose and Cupertino several times a week. There are also freight trains which operate at various times of day and night in both counties. The Bay Area Rapid Transit district operates trains. The presence of any type of train, their tracks and train stations may create noise, impact local streets and may also impact the value and desirability of some property. Under regulations issued by the Federal Railroad Administration, these trains must produce a distinct, separate, sequential blast at various grade crossings (where a street crosses the tracks) and whenever a train engineer sees a trespasser near the tracks. To comply with those regulations, Cal-Train has temporarily relocated their horns onto the top of the locomotives which has increased the volume and range of the sound. Cal-Train is attempting to balance neighborhood noise concerns with the required safety regulations. The ultimate impact of any type of train on the Property or Buyers is subjective in nature. Buyers are advised to investigate this issue during their inspection period, if any, to determine the potential impact of any of these issues. For more information, go to <http://www.caltrain.org>; <http://www.bart.gov>.

51. HIGH-SPEED RAIL: On November 5, 2008, California voters approved Proposition 1A authorizing funding of a high-speed rail transportation system linking various cities in the State. Both the location of the proposed train system and the possible effect that the construction and operation of that system will have on residential areas has been the subject of concern and debate. Some news reports have indicated that, depending upon the location of the high-speed rail system, it may have a negative effect on some properties in the San Francisco Bay Area. It is anticipated that construction is likely to begin as early as 2011. Precisely what impact, if any, the proposed high-speed rail transportation system will have on the Property or Buyers is unknown either before, during or after construction and is subjective in nature. Brokers are not experts in this area and Buyers are advised to satisfy themselves with regard to this issue during their inspection contingency period. The California High-Speed Rail Authority ("Authority") is the entity that is responsible for planning, constructing and operating that high-speed rail system. Buyers can obtain more information about the proposed high-speed rail system by contacting the Authority or online at <http://www.cahighspeedrail.ca.gov>.

52. INSURANCE: Buyers should consult an insurance broker during Buyers' inspection period, if any, to determine the cost of homeowners' insurance, the types of available coverage and any restrictions that the carrier may impose. Some insurance companies may impose conditions such as complying with retrofit requirements, such as installation of safety glass, fireplace spark arrestors and a gas shut-off valve. (The fact that an insurance company may require these repairs does not necessarily mean that a Seller is obligated to make the repairs required by the insurer.) Insurance coverage for certain high fire risk, hillside, oceanfront and brush properties

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB may be limited but the cost of this insurance may be increased. Buyer's own insurance agent should be consulted 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 a California Fair Plan application. Flood insurance may also be required from the National Flood Insurance Program (see Paragraph 41). If the Property is a condominium or part of a common interest development, the Homeowners' Association may provide some insurance coverage for the common area and/or units, but the Homeowners' Association may not provide coverage for the individual units or the homeowners' personal belongings. Buyers should ask for a copy of the Homeowners' Association Insurance Certificate and provide that to their own insurance broker to insure that adequate coverage is provided. Buyers should also consider asking that Sellers order a C.L.U.E. report to provide a 5 year history of past insurance claims on the Property.

Some insurance companies have stopped writing homeowner's insurance policies in California as well as in other states as a result of the increase in Mold claims. Many insurance companies will not write a homeowner's policy on a home that has had any Mold or water intrusion claims within the last five years. Obtaining homeowner's insurance may be difficult, if not more expensive, where either the seller or the buyer has made a mold and/or water intrusion claim within the last five years. Buyers should assure themselves that homeowner's insurance can be obtained on the property during their inspection and/or insurance investigation.

53. HOME WARRANTY: Buyers and Sellers can purchase home warranty plans covering various systems of the Property both before and after the Close of Escrow. Sellers can obtain coverage for the Property during the listing period. For an additional premium, an upgraded policy providing additional coverage for air conditioning, pool, spa, appliances, well and other features may be purchased. Home Warranties do not cover every aspect of the Property and may not cover pre-existing conditions, upgrades for repairs required by state or federal laws. Buyers should review the availability of various home warranty plans during Buyers' inspection period, if any.

54. COMMON INTEREST DEVELOPMENTS: Buyers are advised that if the Property is a condominium, or is located in either a planned unit development or common interest subdivision, there will probably be a Homeowners' Association ("HOA") as well as governing documents that may control the individual Properties and the common area. HOA rules and regulations may limit Buyers' use and enjoyment of the Property. Failure to follow HOA rules and regulations may cause the HOA to impose fines, liens and/or take other legal action against a homeowner. HOA rules may include limitations on interior and exterior unit modifications, including but not limited to design, landscaping, color choices, types of floor and/or wall materials, installation of TV antennae and/or satellite dishes and fencing. HOAs often impose limitations on the ability to rent the Property, use of guest, assigned or restricted parking, noise levels, use of pool, fitness equipment and other common area amenities. HOAs may also regulate having visitors, conducting home businesses, use of storage facilities, number and size of pets, storing RVs, trailers and/or inoperative vehicles, vehicle maintenance activities, use and location of basketball hoops and other sports equipment, placement, size and purpose of signs and other regulations.

Under California law, the Sellers must provide a list of specific documents regarding the operation and financial condition of the HOA to Buyers. Buyers should carefully examine all of these documents and compare the documents received with the list of required disclosures as detailed on the PRDS Request for Homeowner Documents or the California Association of REALTORS® Homeowner Association Information Request forms. Sellers should order the required documents directly from the HOA, using one of the request forms above rather than relying on documents previously obtained by Sellers from on-line services or outdated documents from an earlier transaction. Sellers need to be aware that standard real estate contract forms require the Seller to produce "current" documents as of the date of the contract, such as the last 12 months of minutes, any notices, and changes in fees/assessments. However, if Buyer determines any HOA documents are missing, out of date or incomplete, Buyers should send a written request to Sellers asking for the missing documents or a written explanation as to why the documents were not provided.

Buyers should carefully review the HOA's financial condition including current dues and assessments, as well as pending or contemplated increases. Buyers need to understand that upon becoming part of an HOA makes them financially liable for their proportional share of the HOA's Reserve Account (money set aside for the maintenance, repair, and replacement cost of all the physical components of the common area of the complex). Buyers should compare the amount of money actually set aside in reserve by the HOA versus the amount of money that should have been set aside in reserve. 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 other financial issues relating to the association. Brokers have no expertise in this area.

Many Common Interest Developments have been involved in, are presently involved in or are contemplating litigation regarding the design, construction, maintenance and/or physical 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 seriously impact the adequacy of the HOA reserves as well as the amount of current or future HOA fees and/or special assessments. If the Property has had past, current or is considering litigation in the future, Buyers are advised to seek advice regarding these issues from a qualified real estate attorney during the Buyers' inspection period, if any.

If the HOA provides assigned or allocated parking spaces. Buyers should investigate for themselves whether or not the space is adequate to park the Buyers' vehicle(s) in the assigned space by actually parking in that space. Actual assigned or allocated parking and storage spaces may be in conflict with the spaces described in a Condominium Map or in the Preliminary Report issued by a Title Company. Buyers should confirm that the parking and storage spaces that are actually being transferred to the Buyers are the same ones that are designated in the recorded documents and that those space(s) are acceptable for the Buyers' intended needs and uses.

55. PRIVATE TRANSFER FEE: Sellers must disclose the existence of any Private Transfer Fee required in CC&Rs, deeds or other recorded documents. That disclosure must include the amount of the fee required, a description of how the fee is calculated, the entity that is to be paid the fee, the purposes for which the fee will be used, and the date or circumstances under which the obligation to pay the transfer fee expires, if any. Since a Seller may or may not have actual awareness of the existence of a Private Transfer Fee, Buyers should carefully examine any and all title documents to determine this issue.

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB ers' representatives may not treat the existence, terms or conditions of any Buyers offer as confidential unless confidentiality is required by law, regulation, or a confidentiality agreement between the parties. Sellers and Buyers should carefully consider the relative need, value, advantage and disadvantage of requiring the execution of a confidentiality agreement as a precondition to submittal of an offer in consultation with a real estate attorney early enough in time for the attorney to prepare a satisfactory confidentiality agreement (if any) and for it to be delivered to Broker prior to presentation of Buyers' offer.

57. LIQUIDATED DAMAGES: A liquidated damages clause enables Buyers and Sellers to set a cap on the maximum amount of damages that Sellers may recover if Buyers breach the Purchase Contract. The liquidated damages clause in a real property Purchase Contract needs to be separately initialed by both parties to be enforceable. For any deposit(s) put into escrow after the initial deposit to be subject to the liquidated damages clause, there must be a separately signed or initialed agreement made at the time of the subsequent deposit(s). If the Property contains 1 to 4 residential units, one of which the Buyers intend to occupy, California Civil Code §1675 limits the amount of deposit that is subject to the liquidated damages clause to a maximum of 3% of the purchase price. Even if Buyers and Sellers agree to include liquidated damages in the Purchase Contract and there is a breach of contract by the Buyers, the deposit will generally not be released by the escrow holder without mutually consistent written instructions from the Buyers and Sellers or a decision by a judge or arbitrator. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to a liquidated damages clause. Brokers cannot give legal advice regarding these matters.

58. MEDIATION: Mediation is a form of dispute resolution which involves hiring a neutral third party (the "Mediator") to facilitate informal discussions and negotiations with the goal of reaching a settlement of the dispute; the Mediator does not determine who is right or who is wrong. The Parties involved in the Mediation generally share in the cost of this confidential, non-binding process. If no settlement agreement is reached, either Party may pursue further legal action as provided in the Purchase Contract. A Party's failure or refusal to mediate before resorting to arbitration or judicial action may result in that Party losing the right to recover their attorney's fees even if he or she prevails. Which Parties should be involved in Mediation and/or who should serve as the Mediator are issues that need to be determined by an attorney. Brokers are not qualified to represent Buyers or Sellers in resolving disputes through mediation since Brokers cannot give legal advice to Buyers and/or Sellers.

59. ARBITRATION: Arbitration is a form of dispute resolution which involves hiring a neutral third party (the "Arbitrator") to render a formal decision as to who is right and/or what damages, if any, should be paid. Arbitration may be faster and less expensive than resolving disputes by litigation in court. The rules are usually less formal than in court; it is a private process that is not of public record however the arbitration process is best handled by attorneys who understand these issues. By agreeing to Arbitration the Parties give up their rights to a jury trial and appeal. Arbitrations decisions have been upheld even when Arbitrators have made a mistake as to the law or the facts of the case. If Parties agree to include an arbitration provision in their real property agreement(s), then any dispute arising out of those agreements (with some limited exceptions) must be submitted to binding arbitration. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether or not to agree to arbitration.

The Purchase Contract does not obligate the Brokers to participate in Arbitration even if Buyers and Sellers agree to use that forum; however, Broker may have the option to voluntarily agree to participate in Arbitration. Brokers cannot give legal advice regarding these matters to Buyers and/or Sellers.

60. LEGAL ACTION: Sellers should disclose to Buyers any known claim or legal action (litigation or arbitration) which affects the title or use of the Property, whether or not that claim or legal action is resolved. Buyers should consult with their attorney regarding the affect that any disclosed claim or legal action may have on the value, development, use and enjoyment of the Property.

REGIONAL ISSUES

61. LITIGATION BY OR AGAINST A CITY, COUNTY OR GOVERNMENTAL AGENCY: Buyer should investigate whether there is any pending litigation or administrative claim that may affect the value, development, use and/or enjoyment of the property and/or impact the ability of the local community to provide necessary services. Check appropriate governmental websites.

62. COASTAL CONDITIONS: Property located near any coast lines may be 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 structures and personal property items exposed to the elements. Coastal properties may be impacted by ocean tides, currents and tsunamis. 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, and thus coastal properties require regular, thorough maintenance. Development, current, and future use and remodeling of coastal properties may be regulated by the California Coastal Commission. Buyers should investigate these conditions as well as the cost of increased maintenance and repairs that may be needed for any Property located in coastal areas.

The foghorn located at the El Granada breakwater is audible at times and at various sound levels in adjacent coastal communities, depending upon weather conditions and proximity.

California Emergency Management Agency (Cal EMA) and the California Geological Survey (CGS) have released California Tsunami Inundation Maps covering areas along about 50% of the state's coastline, and including 100% of the San Francisco Bay Area. Buyers should investigate local emergency preparedness and potential tsunami hazards by going to the following websites: www.myhazards.calema.ca.gov and www.consrv.ca.gov/cgs.

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB co 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 should contact BCDC at (415) 352-3600 for additional information.

64. BAY FILL: Some properties that are built on bay fill have experienced salt leaching from the soil, through the concrete and corroding the iron rebar in the foundations. Buyers of Property built on bay fill should investigate this issue with qualified professionals.

65. AGRICULTURAL AREAS: Agricultural enterprises occasionally produce dust, noise and odors and utilize airborne fertilizers and pest control products which, depending on weather and other conditions, proximity and manner of application, may affect the environment and/or surrounding residential areas.

66. GOLF COURSES: There are several golf courses in San Mateo and Santa Clara Counties. Property located near a golf course may be affected by errant golf balls, noise, lighting or other problems that Buyers should investigate.

67. LOCAL OPTION DISCLOSURES: Cities and counties can enact "Local Option" Disclosures which require Sellers to disclose issues of local concern on a specifically required Disclosure Form. The Cities of Pacifica, Millbrae, South San Francisco and San Bruno have enacted ordinances requiring separate disclosures about noise generated by airports and aircraft. Sellers in the unincorporated areas of Santa Clara County are required to disclose specific information about that County's "right-to-farm" ordinance, the private well inspection disclosure ordinance, whether or not the Property is subject to a contract pursuant to the California Land Conservation Act of 1965 ("Williamson Act"), and/or whether the Property is subject to an open space easement agreement. Although Brokers may provide the Local Option Disclosure form to Sellers and Buyers, only the Seller is to complete the questions contained in a Local Option Disclosure form.

68. MANDATED/AFFORDABLE HOUSING: Many cities are studying how to add units and/or "affordable housing" within their jurisdictions so as to comply with legal requirements, some are in litigation relating to affordable housing issues and others have already implemented affordable housing plans. For more information about what any particular city is doing in regard to this topic, go to that city's website (the sites for cities in San Mateo and Santa Clara County are listed on the last page of this Advisory).

LOCAL SAN MATEO COUNTY ISSUES

69. DALY CITY 3R REPORT: Daly City requires Sellers of residential property of 1 to 3 units to obtain a report of the residential building record ("3-R Report") which must be provided to Buyers. The 3-R Report is prepared by the Daly City Building Division from its historical records only and is not based upon an actual inspection of the Property. The information in the 3-R Report may not be accurate or complete for various reasons. Although most of the City's records are computerized, many records were originally handwritten and incomplete. It is possible that errors could have occurred when the information was transferred from the original documents and these errors might be repeated in subsequent 3-R Reports. However, the 3-R Report does contain useful information.

Buyers of residential property of 1 to 3 units in Daly City should not rely solely on the permit information contained in 3-R Reports. Some properties may have rooms, additions, structures or decks where there is no record of a permit ever having been issued for their construction. Such improvements may or may not have been built with a permit and/or officially finalized. If an improvement was constructed without all necessary permits and/or not in compliance with building codes, the City may require the owner to remove it or legalize it at a substantial cost. Buyers should independently confirm the information contained in a 3-R Report during their inspection period, if any, including engaging the services of a qualified contractor, architect or other professional(s) to verify the information in the 3-R Report. For additional information or to request a 3-R Report, contact the Daly City Building Division, 333 90th Street, Daly City, California 94015-1895; Telephone (650) 991-8061. See also Paragraphs 26 and 27 of this Advisory.

70. HALF MOON BAY: The City of Half Moon Bay settled a law suit resulting in a substantial payment obligation on behalf of the City. Buyer should investigate whether this litigation impacts the value, development, use and/or enjoyment of the property and/or impacts the ability of Half Moon Bay to provide necessary services. The City is reviewing design options to replace the Main Street Bridge on Main Street just south of Highway 92. Construction is tentatively scheduled for 2014. For additional information, go to <http://www.hmbcity.com>.

71. HILLSBOROUGH ORDINANCES: The Town of Hillsborough Municipal Code requires Sellers of real property to provide Buyers with a Statement of Compliance regarding proper installation of Spark Arrester(s), Smoke Detectors and Address Number Visibility. Buyers of property located in Hillsborough should not close escrow without receiving the Seller's Statement of Compliance form.

The Town of Hillsborough Municipal Code 5.12.050 requires the issuance of a permit for possession and use of home alarm systems. These permits cannot be assigned to the Buyer as part of the sale of residential property. Buyers who are acquiring property in Hillsborough which is already equipped with a home alarm system or who intend to install a home alarm system must secure a new permit. Permit applications can be obtained at the Hillsborough Town Hall at 1600 Floribunda Avenue. For more information about the home alarm permit requirements and/or other requirements for property located in Hillsborough, go to the following website: <http://www.hillsborough.net>.

72. MILLBRAE FIRE SPRINKLER AND ILLUMINATED ADDRESS NUMBER ORDINANCES: The Millbrae Municipal Code requires that, in addition to complying with the State of California Smoke Detector law, fire sprinklers must be installed in the garage of any

DocuSign Envelope ID: 599933BB-AFC1-46A9-978B-BAE72665DDFB. In any addition, alteration or repair of the structure or building (with the exception of repairs to the exterior only) which requires a building permit is estimated to cost in excess of \$1,000.

The Millbrae Municipal Code also requires that all building addresses must be visible and legible from the street or road in front of the property and the addresses must be either internally or externally illuminated.

73. PORTOLA VALLEY RESIDENTIAL DATA REPORT AND HISTORIC PRESERVATION: The Town of Portola Valley requires Sellers to provide Buyers with a Residential Data Report from the Town listing the regularly authorized use, occupancy and zoning classification of the Property. The information in the Residential Data Report is from historical records only and is not based upon an actual inspection of the Property. The Residential Data Report may not be accurate or complete for various reasons. It is possible that errors could have occurred when the information was transferred from the original documents and these errors might be repeated in subsequent reports. However, these reports contain useful information regarding the permits that are of record with the Town.

Buyers should independently confirm the information in the Residential Data Report during their inspection period, if any, including engaging the services of a qualified contractor, architect or other construction professional(s) to verify the information in the Residential Data Report. For additional information or to request a Residential Data Report, go to the Town of Portola Valley's offices located at 765 Portola Road, Portola Valley, California 94028. For additional information, call (650) 851-1701. See also Paragraphs 26 and 27 of this Advisory.

74. REDWOOD SHORES: Redwood Shores is a master-planned community. Property located in Redwood Shores may be subject to multiple homeowners' associations. For more information about Redwood Shores, contact the managing agent for the Redwood Shores Owners' Association at the Manor Association (650) 637-1616 or go to the following website: <http://www.RSOA.info>. The Redwood Shores Community Association is a social and community advocacy organization which can be contacted at the following website: <http://www.RSCA.org>.

75. SAN MATEO CITY SUPPLEMENTAL FLOOD ZONE DISCLOSURE: The Federal Emergency Management Agency ("FEMA") has been investigating the possibility of expanding the flood hazard area designations for the City of San Mateo. FEMA has indicated that the new Final Map should be published at some point in 2010. On July 13, 2009, the City Council for the City of San Mateo approved the formation of the South Bayfront Flood Control Facilities Assessment District to create a funding source for improvement of the City's levees. Buyer is advised to investigate this issue with the City of San Mateo, a third party provider of Natural Hazard Disclosure Statements and/or their own insurance broker to determine the possible ramifications of such an expansion of the flood designation on their use and enjoyment of the Property. For questions or concerns related to the South Bayfront Flood Control Facilities Assessment District, flood insurance, any FEMA related topics, and/or any other regulations which might impact property located in the City of San Mateo, contact the City Offices at (650) 522-7327 or go to the following website: <http://www.cityofsanmateo.org>.

LOCAL SANTA CLARA COUNTY ISSUES

76. MORGAN HILL: The Santa Clara Valley Water District intends to drain Lake Anderson as part of their plan to rebuild Anderson Dam in 2016; the project will take approximately 3 years to complete. It is unknown what impact, if any, the retrofit project will have on the development, condition, use, and/or enjoyment of surrounding homes. Buyers are encouraged to investigate this project by contacting the Water District at www.valleywater.org.

77. LOS ALTOS HILLS: The Town of Los Altos Hills has established standards for roads; the Town has compiled a list of private streets. Private streets can be converted to public streets under specified conditions. Buyers should investigate to determine if any given street is public or private or whether any given private street can be dedicated to the Town. For information about this or any other issues affecting property in the Town of Los Altos Hills, go to the following website: <http://www.losaltoshills.ca.gov>.

78. SARATOGA: The City of Saratoga has enacted an ordinance which may require an occupancy inspection upon transfer of title on properties other than single family residences. For information about this or any other issues affecting property in Saratoga, go to the following website: <http://www.saratoga.ca.us/>

79. SUNNYVALE: The City of Sunnyvale has enacted an ordinance which requires storm water run-off management by owners of certain types of buildings. This ordinance may impact some common interest developments which may trigger a point of sale disclosure by the Homeowners' Association. Sellers and Buyers should investigate whether or not the ordinance is applicable and its impact, if any, on the Property. For further information go to <http://www.sunnyvale.ca.gov>.

MUNICIPAL WEBSITES

County and municipal websites can be a useful source of information about their communities including, but not limited to, representatives, services, ordinances, demographics and local news. These websites may also have links to other resources such as other governmental agencies, non-profit community based organizations, and for-profit entities. While these links are provided for your convenience in accessing the information you seek, this Advisory does not warrant or guarantee the accuracy of the information provided by these sites and resources.

COUNTY OF SAN MATEO: <http://www.co.sanmateo.ca.us/>

CITIES AND TOWNS WITHIN SAN MATEO COUNTY:

- Town of Atherton: <http://www.ci.atherton.ca.us/>
- City of Belmont: <http://www.belmont.gov/>
- City of Brisbane: <http://www.ci.brisbane.ca.us/>
- Township of Broadmoor: website unknown
- City of Burlingame: <http://www.burlingame.org/>

CITIES AND TOWNS WITHIN SAN MATEO COUNTY (cont.):

- Town of Colma: <http://www.colma.ca.gov/>
- City of Daly City: <http://www.dalycity.org/>
- City of East Palo Alto: <http://www.ci.east-palo-alto.ca.us>
- City of Foster City: <http://www.fostercity.org/>
- City of Half Moon Bay: <http://ci.half-moon-bay.ca.us/>
- Town of Hillsborough: <http://www.hillsborough.net/>
- City of Menlo Park: <http://www.ci.menlo-park.ca.us/>
- City of Millbrae: <http://www.ci.millbrae.ca.us/>
- City of Pacifica: <http://www.cityofpacifica.org/>
- Town of Portola Valley: <http://www.portolavalley.net/>
- City of Redwood City: <http://www.ci.redwood-city.ca.us/>
- City of San Bruno: <http://sanbruno.ca.gov/>
- City of San Carlos: <http://www.cityofsancarlos.org/>
- City of San Mateo: <http://www.ci.sanmateo.ca.us/>
- City of S. San Francisco: <http://www.ci.ssf.ca.us/>
- Town of Woodside: <http://www.woodsidesideton.org/>

COUNTY OF SANTA CLARA: <http://www.sccgov.org>

CITIES AND TOWNS WITHIN SANTA CLARA COUNTY:

- City of Campbell: <http://www.ci.campbell.ca.us/>
- City of Cupertino: <http://www.cupertino.org/>
- City of Gilroy: <http://www.cityofgilroy.org/cityofgilroy/>
- City of Los Altos: <http://www.ci.los-altos.ca.us/>
- Town of Los Altos Hills: <http://www.losaltoshills.ca.gov/>

CITIES AND TOWNS WITHIN SANTA CLARA COUNTY (cont.):

- Town of Los Gatos: <http://www.town.los-gatos.ca.us/>
- City of Milpitas: <http://www.ci.milpitas.ca.gov/>
- City of Monte Sereno: <http://www.montesereno.org/>
- City of Morgan Hill: <http://www.ci.morgan-hill.ca.gov/>
- City of Mountain View: <http://www.ci.mtnview.ca.us/>
- City of Palo Alto: <http://www.cityofpaloalto.org/>
- City of San Jose: <http://www.sanjoseca.gov/>
- City of Santa Clara: <http://santaclaraca.gov/>
- City of Saratoga: <http://www.saratoga.ca.us/>
- City of Sunnyvale: <http://www.sunnyvale.ca.gov/>

SELLERS AND BUYERS ACKNOWLEDGE THE FOLLOWING REGARDING BROKERS:

1. Brokers do not warrant or guarantee the condition of the Property and shall not be responsible for any undisclosed facts regarding the condition of the Property;
2. Brokers have no duty to inspect and will not inspect (a) any areas of the Property that are not reasonably and normally accessible to Broker; (b) any areas that are located offsite of the Property, (c) common areas, (d) public records or permits of any kind regarding the state of title or the use of the Property, or (e) any matter affecting or relating to the Property that is described in this Advisory;
3. Brokers have not verified square footage or size of structures or land, boundary lines of the Property, representations made by others (including but not limited to Sellers), information contained in inspection reports, the Multiple Listing Service, or in advertisements, flyers or other promotional material, or any other matters described in this Advisory, unless otherwise agreed in writing;
4. Brokers do not guarantee and shall not be responsible for the labor or services or products provided by others to or on behalf of Buyers and/or Sellers and do not guarantee and shall not be responsible for the quality, adequacy, completeness or code compliance of repairs made by Sellers or by others. Sellers and Buyers may select any professionals that they choose to retain; and
5. Brokers are not qualified to give legal, tax, insurance or title advice, therefore Sellers and Buyers should consult the appropriate professionals for such advice.

This document may be signed in counterparts.

BY SIGNING BELOW, BUYERS AND SELLERS ACKNOWLEDGE THAT THEY HAVE READ, UNDERSTAND, AND HAVE RECEIVED A COPY OF THIS 14 PAGE ADVISORY.

DATE: 5/28/2015 SELLER DocuSigned by:
Zhuo Gao
08BDED4CFC1743A...

DATE: 5/29/2015 SELLER DocuSigned by:
Kai Zhao
17105BE94FAF487...

DATE: _____ BUYER _____

DATE: _____ BUYER _____



www.prdsonline.com

**PRDS®
RESIDENTIAL EARTHQUAKE HAZARDS REPORT**



When you sell a home that was built before 1960, you are required to fill out the form shown below.

- Sellers must hand buyers a completed disclosure report.
- Sellers must answer the questions to the best of their knowledge.
- If a question on the form describes only part of your house – for example if part of your house is anchored to the foundation and the other part is not – sellers should answer the question with a “NO” because a portion of the house is not properly anchored.
- Sellers are not required to remove siding, drywall, or plaster in order to answer the questions.
- Sellers are not required to hire anyone to inspect their homes.
- Sellers are not required to fix the weaknesses before they sell their homes.

NAME Kai Zhao	NAME Zhuo Gao	APPLICATOR'S PARCEL NO. 132-13-068
STREET ADDRESS 380 Colorado Ave.		YEAR BUILT
CITY AND COUNTY Palo Alto	Santa Clara	ZIP CODE 94306

Answer these questions to the best of your knowledge. If you do not have actual knowledge as to whether the weakness exists, answer "Don't Know." If your house does not have the feature, answer "Doesn't Apply."

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

*To be reported on the
Natural Hazards Disclosure
Report*

Keep your copy of this form for future reference

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

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

Seller's Initials (KE) (ZG)

Buyer's Initials (_____) (_____)





PRDS®
RESIDENTIAL EARTHQUAKE HAZARDS REPORT



EXECUTED BY	DocuSigned by: <i>Kai Zhao</i>	DocuSigned by: <i>Zhuo Gao</i>	8/13/2015
	17105BE94EAF48Z	0BBDED4CFC1743A	
(Seller)	Kai Zhao	(Seller)	Zhuo Gao
			Date

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

(Buyer)	(Buyer)	Date
---------	---------	------

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

The Homeowner's Guide to Earthquake Safety

C.L.U.E.[®] Home Seller's Disclosure Report

Property Address: 380 COLORADO AVE
PALO ALTO, SANTA CLARA County, CA

APN: 132-13-068
Report Date: 07/28/2015
Report Number: 1730985

The C.L.U.E.[®] Home Seller's Disclosure Report is specifically designed for use in the real estate disclosure process. This report only lists losses reported by insurance companies that are associated with the property address shown above and is a reflection of the C.L.U.E.[®] database at the time and date of order.

SEARCH REQUEST: 380 COLORADO AVE
PALO ALTO, CA 94306

NUMBER of CLAIMS REPORTED: 0

Claim Status - This indicates current loss claim status. If status indicates "Subrogation", this means that an insurance company has taken action to recover the amount of a loss paid if the loss was caused by a third party.

NOTE: The loss information listed above may not be related to the seller because the loss may have occurred before the seller acquired the property.

Prepared by: COMPREHENSIVE LOSS UNDERWRITING EXCHANGE, LexisNexis® Risk Solutions.

For additional information **PROPERTY OWNER ONLY** may contact:

LexisNexis® Consumer Center (5 a.m. to 4 p.m. Pacific Time)
Telephone: 1-888-497-0011 (Press '2' and wait for a Customer Service Rep)

Or, visit the LexisNexis® Customer Help Website at:
<https://personalreports.custhelp.com>

Your LexisNexis® Customer Reference Number is: 15209231503086

READ AND APPROVED

SIGNATURE _____

SIGNATURE _____

DATE _____

Parcel Report for APN: 132-13-068

Nel Lot Size: 5,496 sf

Zone: R-1
100

Land Use Designation: SF
100

Flood Zone: X

LOMA: no

Parking District: none

Airport Influence Area: no

Historic Status: none

Home/Emerson
Corridor Frontage: no

Easements: no

Underlying
Lot Lines: Yes, see Public Works for possible requirements.

Near Creek
Feature: no

Distance between sidewalk and pi:
(as measured on map)

Standard: no

Flag Lot: no

Cottage: Not eligible, lot size too small.

Max Floor Area: 2,399 sf

Max Lot
Coverage: If single story, 2,399 sf
If two story, 1,924 sf

Max Height
to Ridge: If roof slope < 12:12, 30'
If roof slope >= 12:12, 33'

Special
Setbacks: 24' along Colorado Ave

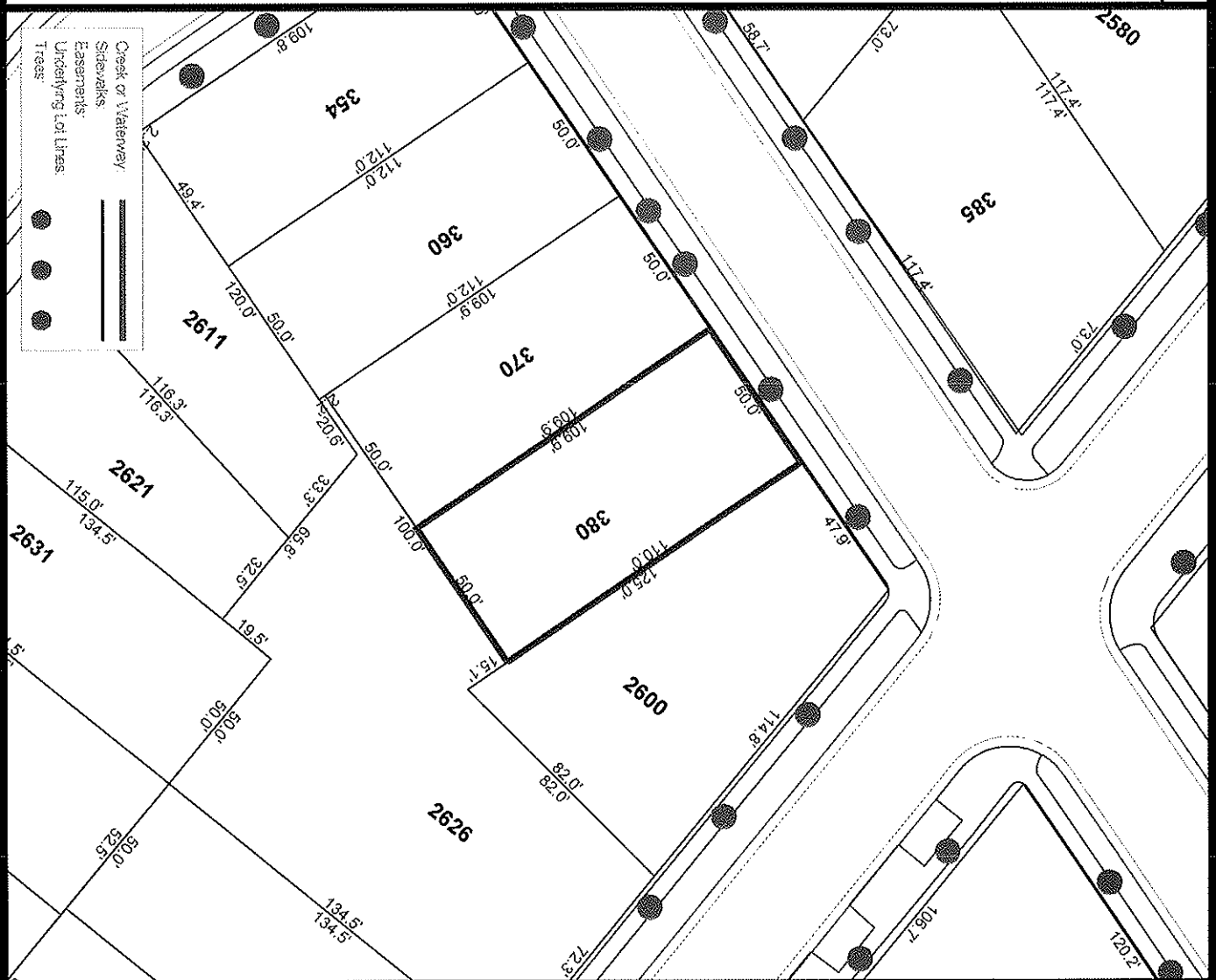
Minimum Setbacks:
If no special setback, 20', or,
if avg. contextual setback > 30',
the avg. contextual setback.

Front: 20'

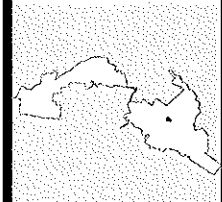
Rear: 20'

Interior Side(s): 6'

Street Side: If no special setback, 16'

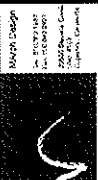


380 Colorado Ave



This map is a product
of the
City of Palo Alto GIS






MARCH DESIGN
ARCHITECTS & PLANNERS
1607 CHANNING AVENUE
PALO ALTO, CA 94303
(650) 322-1887
WWW.MARCHDESIGN.COM

ZHAO RESIDENCE
NEW SINGLE FAMILY RESIDENCE

380 COLORADO AVENUE
PALO ALTO, CA 94306
APN: 132-13-068



CLIENT _____

DATE: 06/06/11

CHECKED _____

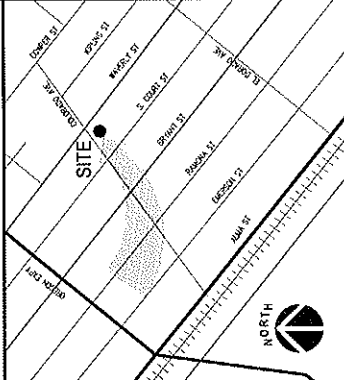
DRAWN: SM

JOB NO. _____

TITLE SHEET
w/ CONDITIONS
OF APPROVAL

A1.1

ZHAO RESIDENCE
NEW SINGLE FAMILY RESIDENCE
380 COLORADO AVENUE
PALO ALTO, CA 94306
APN: 132-13-068



LOCATION MAP

1. DEMOLISH EXISTING HOUSE
2. NEW CONSTRUCTION OF 2.5 SF, TWO-STORY WOOD SHINGLED HOUSE WITH 2 CAR GARAGE, 2.5 CARPORTS, 2.5 BATHS, 2.5 KITCHENS, 2.5 MAIN FLOORS, 2.5 EXTERIOR FINISH, AND TILE ROOF.

PROJECT CONTACT

	REQUIRED	PROPOSED
FRONT	24'-0"	24'-0"
RIGHT SIDE (WEST)	6'-0"	6'-0"
LEFT SIDE (EAST)	6'-0"	6'-0"
REAR	20'-0"	25'-0"

PROJECT SCOPE

APN: 132-13-068
 SINGLE FAMILY RESIDENCE
 ZONING DISTRICT: R-1
 CONSTRUCTION TYPE: V-B
 OCCUPANCY GROUP: R3 & U
 SIZE OF LOT: 5,496 S.F.
 ALLOWABLE LOT COVERAGE: 1,924 S.F.
 PROPOSED LOT COVERAGE: 1,883 S.F.
 MAX. ALLOWABLE FLOOR AREA: 2,398 S.F.
 (45% x 5000 S.F. x 100% x 175% x 1.1)
 FLOOR AREAS OF PROPOSED STRUCTURE:
 GARAGE: 228 S.F.
 GROUND FLOOR: 1,304 S.F.
 SECOND FLOOR: 864 S.F.
 TOTAL FLOOR AREA: 2,396 S.F.
 MAXIMUM BUILDING HEIGHT: 30'-0"
 PROPOSED BUILDING HEIGHT: 25'-0"
 REQUIRED PARKING: 2
 PARKING PROVIDED: 2
 ATTACHED CAR GARAGE & 1 CARPORT: 2
 SPECIAL SETBACKS:
 PROJECT IN FLOOD ZONE: NO
 GARAGE IN CONTEXTUAL PLACEMENT: YES

ARCHITECT
MARCH DESIGN
20680 STEVENS CREEK BLVD. #168
CUPERTINO, CA 95014
(650) 322-1887
EMAIL: mma.ase@gmail.com

OWNER
KAI ZHAO & KAREN GAO
1607 CHANNING AVENUE
PALO ALTO, CA 94303
(650) 322-4361
WWW.MARCHDESIGN.COM
EMAIL: kaizhao@zhaogao.com

STRUCTURAL ENGINEER
YU-JAR CHEN
20650 NIMEN STREET
FREMONT, CA 94555
(510) 898-2704
EMAIL: jpcytschen@gmail.com

CIVIL ENGINEER
RW ENGINEERING
525 ALTIMONT DRIVE
PALO ALTO, CA 94303
(650) 763-1899
EMAIL: rweengineering@gmail.com

READ AND APPROVED

SIGNATURE _____

SIGNATURE _____

DATE _____

DRAWING INDEX

A1.0	TITLE SHEET w/ CONDITIONS OF APPROVAL (THIS SHEET)
A1.1	PERMISSION PRELIMINARY CITY OF PALO ALTO
A1.2	GREEN BUILDING FLOOR AREA CALCULATIONS
A1.3	EXISTING SITE PLAN w/ DIMENSIONS & GENERAL NOTES
A1.4	PROPOSED SITE PLAN w/ LOT COVERAGE CALCULATION
A1.5	PROPOSED GARAGE FLOOR PLAN
A1.6	PROPOSED SECOND FLOOR PLAN
A1.7	FLOOR AREA CALCULATIONS
A1.8	PROPOSED ROOF PLAN & STREET ELEVATION
A1.9	DOOR & WINDOW SCHEDULES
A1.10	FINISHES ELEVATIONS
A1.11	PROPOSED ELEVATIONS
A1.12	SECTIONS
A1.13	GROUND FLOOR SOLICITIO COLOR PLAN w/ ELECTRICAL & LIGHTING
A1.14	SECOND FLOOR SOLICITIO COLOR PLAN w/ ELECTRICAL & LIGHTING
A1.15	EXTERIOR DETAILS
A1.16	INDOOR DETAILS
A1.17	GREEN PAINT REQUIREMENTS & SCHEDULE
A1.18	SPECIAL TREE PROTECTION INSTRUCTION SHEET
A1.19	SMI SURVEY
A1.20	GRADING & DRAINAGE PLAN
A1.21	CALIFORNIA TITLE 24 ENERGY COMPLIANCE DOCUMENTS
A1.22	SECTION DETAILS & DETAILS
A1.23	FOUNDATION PLAN
A1.24	2ND FLOOR & LOWER FLOORS PLAN AND ROOF FINISH PLAN
A1.25	STRUCTURAL DETAILS
A1.26	STRUCTURAL DETAILS

PROJECT SUMMARY

APN: 132-13-068
 SINGLE FAMILY RESIDENCE
 ZONING DISTRICT: R-1
 CONSTRUCTION TYPE: V-B
 OCCUPANCY GROUP: R3 & U
 SIZE OF LOT: 5,496 S.F.
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 MAX. ALLOWABLE FLOOR AREA: 2,398 S.F.
 (45% x 5000 S.F. x 100% x 175% x 1.1)
 FLOOR AREAS OF PROPOSED STRUCTURE:
 GARAGE: 228 S.F.
 GROUND FLOOR: 1,304 S.F.
 SECOND FLOOR: 864 S.F.
 TOTAL FLOOR AREA: 2,396 S.F.
 MAXIMUM BUILDING HEIGHT: 30'-0"
 PROPOSED BUILDING HEIGHT: 25'-0"
 REQUIRED PARKING: 2
 PARKING PROVIDED: 2
 ATTACHED CAR GARAGE & 1 CARPORT: 2
 SPECIAL SETBACKS:
 PROJECT IN FLOOD ZONE: NO
 GARAGE IN CONTEXTUAL PLACEMENT: YES

CONDITIONS OF APPROVAL