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CALIFORNIA  
ASSOCIATION  
OF REALTORS®

**AGENT VISUAL INSPECTION DISCLOSURE  
(CALIFORNIA CIVIL CODE § 2079 ET SEQ.)**  
For use by an agent when a transfer disclosure statement is  
required or when a seller is exempt from completing a TDS  
(C.A.R. Form AVID, Revised 11/13)

This inspection disclosure concerns the residential property situated in the City of Oakland, County of Alameda, State of California, described as 123 Main St ("Property").

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

Inspection Performed By (Real Estate Broker Firm Name) \_\_\_\_\_

**California law requires**, with limited exceptions, that a real estate broker or salesperson (collectively, "Agent") conduct a reasonably competent and diligent **visual** inspection of reasonably and normally accessible areas of certain properties offered for sale and then disclose to the prospective purchaser material facts affecting the value or desirability of that property that the inspection reveals. The duty applies regardless of whom that Agent represents. The duty applies to residential real properties containing one-to-four dwelling units, and manufactured homes (mobilehomes). The duty applies to a stand-alone detached dwelling (whether or not located in a subdivision or a planned development) or to an attached dwelling such as a condominium. The duty also applies to a lease with an option to purchase, a ground lease or a real property sales contract of one of those properties.

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

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

**Agent Inspection Limitations:** Because the Agent's duty is limited to conducting a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of only the Property being offered for sale, there are several things that the Agent will not do. What follows is a non-exclusive list of examples of limitations on the scope of the Agent's duty.

**Roof and Attic:** Agent will not climb onto a roof or into an attic.

**Interior:** Agent will not move or look under or behind furniture, pictures, wall hangings or floor coverings. Agent will not look up chimneys or into cabinets, or open locked doors.

**Exterior:** Agent will not inspect beneath a house or other structure on the Property, climb up or down a hillside, move or look behind plants, bushes, shrubbery and other vegetation or fences, walls or other barriers.

**Appliances and Systems:** Agent will not operate appliances or systems (such as, but not limited to, electrical, plumbing, pool or spa, heating, cooling, septic, sprinkler, communication, entertainment, well or water) to determine their functionality.

**Size of Property or Improvements:** Agent will not measure square footage of lot or improvements, or identify or locate boundary lines, easements or encroachments.

**Environmental Hazards:** Agent will not determine if the Property has mold, asbestos, lead or lead-based paint, radon, formaldehyde or any other hazardous substance or analyze soil or geologic condition.

**Off-Property Conditions:** By statute, Agent is not obligated to pull permits or inspect public records. Agent will not guarantee views or zoning, identify proposed construction or development or changes or proximity to transportation, schools, or law enforcement.

**Analysis of Agent Disclosures:** For any items disclosed as a result of Agent's visual inspection, or by others, Agent will not provide an analysis of or determine the cause or source of the disclosed matter, nor determine the cost of any possible repair.

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

Buyer's Initials ( \_\_\_\_ ) ( \_\_\_\_ )

Seller's Initials ( \_\_\_\_ ) ( \_\_\_\_ )

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

**AVID REVISED 11/13 (PAGE 1 OF 3)**



**AGENT VISUAL INSPECTION DISCLOSURE (AVID PAGE 1 OF 3)**

Property Address: 123 Main St  
Oakland, 94605 Date: \_\_\_\_\_

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

Inspection Performed By (Real Estate Broker Firm Name) \_\_\_\_\_

Inspection Date/Time: \_\_\_\_\_ Weather conditions: \_\_\_\_\_

Other persons present: \_\_\_\_\_

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

**Entry** (excluding common areas): \_\_\_\_\_

**Living Room:** \_\_\_\_\_

**Dining Room:** \_\_\_\_\_

**Kitchen:** \_\_\_\_\_

**Other Room:** \_\_\_\_\_

**Hall/Stairs** (excluding common areas): \_\_\_\_\_

**Bedroom #** \_\_\_\_ : \_\_\_\_\_

**Bedroom #** \_\_\_\_ : \_\_\_\_\_

**Bedroom #** \_\_\_\_ : \_\_\_\_\_

**Bath#** \_\_\_\_ : \_\_\_\_\_

**Bath#** \_\_\_\_ : \_\_\_\_\_

**Bath#** \_\_\_\_ : \_\_\_\_\_

**Other Room:** \_\_\_\_\_

Buyer's Initials ( \_\_\_\_ ) ( \_\_\_\_ )

Seller's Initials ( \_\_\_\_ ) ( \_\_\_\_ )

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AVID REVISED 11/13 (PAGE 2 OF 3)

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

**AGENT VISUAL INSPECTION DISCLOSURE (AVID PAGE 2 OF 3)**

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123 Main

Property Address: 123 Main St  
Oakland, 94605 Date: \_\_\_\_\_

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

**Other Room:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Other:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Other:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Other:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Garage/Parking (excluding common areas):** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Exterior Building and Yard -Front/Sides/Back:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Other Observed or Known Conditions Not Specified Above:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**This disclosure is based on a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of the Property on the date specified above.**

Real Estate Broker (Firm who performed the Inspection) \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_  
(Signature of Associate Licensee or Broker)

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

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

SELLER \_\_\_\_\_ Date \_\_\_\_\_

SELLER \_\_\_\_\_ Date \_\_\_\_\_

BUYER \_\_\_\_\_ Date \_\_\_\_\_

BUYER \_\_\_\_\_ Date \_\_\_\_\_

Real Estate Broker (Firm Representing Seller) \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_  
(Associate Licensee or Broker Signature)

Real Estate Broker (Firm Representing Buyer) \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_  
(Associate Licensee or Broker Signature)

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**AGENT VISUAL INSPECTION DISCLOSURE (AVID PAGE 3 OF 3)**

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123 Main

**ALAMEDA COUNTY DISCLOSURES AND DISCLAIMERS ADVISORY**

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

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

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## INTRODUCTION

This Advisory provides general information about selling and buying real property in Alameda County and is effective as **of October, 2016**. It is not intended to be a comprehensive guide to buying real estate nor is it designed to alarm Buyers and Sellers. It does not limit any legal duty of real estate brokers; however it does point out some limitations on real estate brokers' duties. This Advisory points out that when purchasing something as important and valuable as real estate, Buyers have a legal responsibility to protect themselves by taking special precautions to investigate the issues detailed in this Advisory and any other issues which impact the use, value or desirability of the Property. Consult with the appropriate experts and/or governmental agencies. Do not just rely on real estate brokers or Sellers as sources for all information. When Buyers have questions, doubts or concerns, they should conduct their own Investigation with their own chosen professionals. For more information about the areas covered by this Advisory, Buyers can go online at the sites referenced at the end of this Advisory.

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

- Sellers must 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 should consult with their own attorney; Brokers cannot determine the legal sufficiency of any disclosure.
- Whether documents are signed electronically or in hard copy, 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 the Supplemental Property Questionnaire, if provided by Seller.
- Buyers are responsible for conducting their own investigations into the issues discussed in this Advisory as well as those issues that are not referenced below to the extent that those additional issues may affect the Buyers' determination of the use, value, desirability or development of the Property. That investigation should take place prior to the Buyer's removal or waiver of any inspection contingency. Buyers are urged to:
  - 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 use, value, desirability or development of the Property.

- Buyers must bear in mind that a Property may suffer defects and deficiencies of which neither Sellers nor Brokers are aware. Buyers should also recognize that not all issues can be objectively determined and some issues can have varying impacts on different people since some people may be more sensitive than others.
- Buyers are urged to engage licensed professionals to evaluate all aspects of the Property and to consult all appropriate governmental agencies. Buyers' right to conduct certain types of investigations may be limited by the Purchase Contract.
- 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.**

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

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

## **A. MARKET CONDITIONS ADVISORY**

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

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

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

The lender's approval of financing includes the lender's determination that (1) Buyers are creditworthy and can afford to make the mortgage payments and (2) that the Property appraises for at least the principal amount of the loan. Even if Buyers have obtained a pre-qualification or pre-approval letter from a lender,

the lender may not ultimately approve the loan if the lender's appraiser determines that the Property's fair market value is less than the amount of the purchase price or if the Buyers' financial/employment situation has changed. If there is no financing contingency and the Property does not "appraise", Buyers may not be able to afford to make up the difference between the loan amount applied for and the loan amount actually offered by the lender. Under those circumstances, Buyers may not be able to perform on Buyers' contractual obligations. This could then result in the Buyers paying damages to the Seller. **It is a serious risk for Buyers to eliminate from the purchase contract their right to have a financing and/or contingency if they intend to secure a loan.**

## B. GENERAL PROPERTY ADVISORIES

1. **EXISTING HOUSING STOCK:** Many properties have been built under different building codes and may not accommodate current or future personal property items such as electric cars. Regardless of its age, Buyers should have the Property inspected by a competent property inspector and obtain additional inspections recommended in any inspection report, or as may be necessary for Buyers to determine the actual condition of the Property. The Property's components, appliances, fixtures, systems and materials may have varying degrees of remaining useful life and may be subject to failure without notice. In addition, not all components, improvements or fixtures of the Property may comply with current code, zoning, health and safety, setback requirements, religious or cultural preferences. Some homes contain appliances, products or manufactured materials, such as Chinese dry wall, which may be defective, create problems with the use or value of other aspects of the home and/or may be subject to manufacturer or governmental recall and/or a class action lawsuit. All homes include many components which require ongoing maintenance. Deferred maintenance will decrease the life span and/or functionality of many of these components. Buyers should seek reliable advice from appropriate professionals and to plan/budget for maintenance and future repairs.
2. **FLOORS AND WALLS:** The personal property of the Seller may make a visual inspection of floors and walls difficult. The existence of certain types of floor coverings, such as carpeting and rugs, as well as certain types of wall coverings, such as wallpaper and paneling, and furniture prevent inspectors and brokers from inspecting the condition of the floors and walls beneath those materials. When exposed, these areas may have a different pattern of wear or shade of color. If Buyers wish to determine the condition of the floors and walls beneath such coverings, Buyers will need to secure the written authorization of Seller to conduct investigations with appropriate professionals since removal of floor coverings may be required.
3. **TEMPERED GLASS:** Many homes contain glass that IS NOT tempered in locations where tempered glass IS required by building regulations. Buyers are advised to have a contractor's inspection to identify the presence of any glass that is not properly tempered before removing a physical inspection contingency on a prospective purchase of real property. Buyers should consider replacing any non-tempered glass with tempered glass to reduce the risk of injury.
4. **FIREPLACES; WOOD-BURNING APPLIANCES:** Residential wood burning is the leading source of wintertime air pollution in the Bay Area and studies have confirmed there are significant health impacts from exposure to fine particulate matter found in wood smoke. The Bay Area Air Quality Management District ("BAAQMD") established the Wood Smoke Rule, Regulation 6, Rule 3 to reduce wintertime smoke pollution and protect public health. The Wood Smoke Rule requires anyone selling, renting or leasing a property in the Bay Area to disclose the potential health impacts from air pollution caused from burning wood. Fine particulate matter, also known as PM<sub>2.5</sub>, can travel deep into the respiratory system, bypass the lungs and enter the blood stream. Exposure may cause short-term and long-term health effects, including eye, nose and throat irritation, reduced lung function, asthma, chronic bronchitis, cancer and premature deaths. Exposure to fine particulates can worsen existing respiratory conditions. High PM<sub>2.5</sub> levels are associated with increased respiratory and cardiovascular hospital admissions, emergency department visits, and even deaths. Children, the elderly and those with pre-existing respiratory or heart conditions are most at risk from negative health effects of PM<sub>2.5</sub> exposure.



Buyers should consult with a licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace insert according to manufacturer's specifications to help reduce wood smoke pollution. The Air District encourages the use of cleaner and more efficient, non-wood burning heating options such as gas-fueled or electric fireplace inserts to help reduce emissions and exposure to fine particulates.

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

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

5. **SQUARE FOOTAGE AND LOT SIZE:** Different sources of size information including but not limited to Sellers and Appraisers often provide different square footage or lot size numbers for a property; public records may be, and often are, inaccurate and thus there are frequently discrepancies in the advertised sizes. Buyers are advised that square footage and/or lot size numbers, which may be obtained from various sources such as public records, MLS and others and are provided to Buyers regarding the Property are not, and will not be, verified by Sellers or the real estate agents. **If the square footage or lot size of the property is an important consideration in Buyers' decision to purchase the Property, then Buyers must independently conduct Buyers' own investigation through appropriate professionals and rely solely on that data.**
6. **TREES AND VEGETATION: Protected Trees.** Most cities have an ordinance that requires property owners to obtain a permit prior to removing *Protected Trees (also known as Heritage Trees)* from their property. *Protected Trees* are defined within the code of each city (such as Dublin and Newark). Removing or damaging any *Protected Tree* without the proper permit constitutes an infraction. In addition to the cost of the infraction, violators may be liable for damages. A City may place a lien on the Property if imposed fees are not paid on a timely basis. That lien may subsequently be added to the county property tax bill.

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

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

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

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

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

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

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

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

Buyers can get more information about OWTS/Septic System regulations by contacting the State Water Resources Control Board, 1001 I Street, Sacramento, California 95814 or at Post Office Box 100, Sacramento, California 95812; (916) 341-5455 and by reviewing the SWRCB's website: [http://www.waterboards.ca.gov/water\\_issues/programs/owts/index.shtml](http://www.waterboards.ca.gov/water_issues/programs/owts/index.shtml)

9. **UNDERGROUND STORAGE TANKS (UST):** Many of the larger, older homes in this area built before 1935 may have or have had an Underground Storage Tank for the fuel oil that fired the Property's furnace. As natural gas became the more common standard fuel for home furnaces, virtually all of the old furnaces have been replaced. However, many of the fuel oil tanks remain buried on the property. In residential applications, the California State Water Resources Control Board regulates all UST's in California. The licensing, inspection and regulation of UST's in residential application are currently exempt provided the tank is less than 750 gallons and was used for fuel oil only. However, this does not guarantee that the Property would be exempt from abatement if a UST is discovered upon the Property. Each municipality has very different regulations concerning UST's that may include removal and soil clean-up of any toxic material that may have leaked from the tank. Buyers and Sellers are advised to speak directly to the Public Works Department, Building Department and/or Fire Department in the pertinent city concerning specific regulations affecting UST's.
10. **ENVIRONMENTAL HAZARDS:** The presence of certain environmental hazards, such as lead-based paint and other lead contaminants, asbestos, formaldehyde, radon, methane, or 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 (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 Buyers' 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*."

Some of the third-party Natural Hazards Disclosure ("NHD") companies may provide information regarding environmental hazards that are mapped by the federal government, state or local entities such as Super Fund Clean-Up sites. Buyers should consider discussing with the NHDS provider what environmental disclosures and maps may be available.

**11. CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS & HOMEOWNERS' ASSOCIATIONS:**

If the Property is located in a Common Interest Development, the Seller should request that the Homeowners' Association (HOA) provide all required documents regarding the HOA operation and expenses to meet the Seller's disclosure obligations under Civil Code Section 4525. Some neighborhoods have established HOAs that may charge dues and enforce their own restrictions. It is strongly recommended that Buyers receive the current HOA documents directly from the HOA rather than from any online service or from an earlier transaction. Buyers need to carefully examine all of the documents that are provided regarding the HOA and compare the documents with the list of required disclosures specified in the HOA form from the California Association of REALTORS®. If any document(s) are missing, Buyers should send a written request to the Seller that the Seller provide the missing documents and/or provide a written explanation for why the document(s) were not included with the other HOA documents. Many smaller HOA's do not prepare or keep all documents required by the law, such as reserve studies, minutes of all meetings and/or financials. As a result, Buyers may only receive a portion of the state required documents; in which case Buyers must be aware that they are buying into an HOA without the benefit of the information those documents would provide. Buyers should retain the services of experts, such as attorneys, accountants or others who specialize in reviewing HOA documents to determine the adequacy of the reserves and whether or not the Property is suitable for the Buyers' intended uses.

Due to noise and other factors, a HOA may restrict the type of floor and/or wall material that can be used in certain units and/or the number of pets. Note that HOA's must comply with Fair Housing laws regarding service and companion animals. Buyers should directly contact the HOA Board to determine whether or not the Property can be used for Buyers' intended purposes. Buyers should also determine whether or not the Property meets Buyers' subjective personal preferences.

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

Occasionally issues arise in the purchase of property in a Common Interest Development regarding parking and/or storage spaces associated with a single interest or unit in the Development. Buyers should determine for themselves whether or not the allotted parking space(s) are adequate to park the Buyers' vehicle(s) in the assigned spaces by actually parking in those spaces. Parking space(s) and storage space(s), if any, may be described in a Condominium Map or in the Preliminary Report issued by a Title Company. The actual markings, striping and numbering of these space(s) may not accurately reflect the actual spaces and may be in conflict with the space(s) designated in the recorded documents. It is therefore crucial that Buyers personally determine that the parking and storage space(s) that are designated in the recorded documents are actually being transferred to Buyers and that those space(s) are acceptable for the Buyers' intended needs and uses of the Property. See also Paragraph 48 re Sewer Line Inspection and Compliance if there is an HOA.

12. **PLASTIC PIPE:** Some builders in the Alameda County used PEX water pipes in constructing homes. This type of pipe, manufactured under the name of KITEC®, has been alleged in a class action lawsuit to be faulty and a settlement of that lawsuit has been reached. Buyers should investigate whether or not there are any plastic pipes or fittings prior to removing their inspection contingency and investigate the current and future condition of those pipes. For additional information about this particular product and/or to learn more about the lawsuit, go to: <http://www.kitecsettlement.com/faq.cfm>. Buyers should also contact a qualified California real estate attorney to discuss any questions they may have regarding their ability to recover proceeds from this settlement.
13. **INSURANCE:** During the inspection contingency, Buyers should consult with an insurance broker to determine the cost of homeowners' insurance as well as the types of coverage that may be available and any conditions that the insurance company intends to impose. For example, many insurance companies are refusing to provide homeowners' insurance coverage unless certain retrofit requirements are met, such as installation of safety glass and/or fireplace spark arresters and a gas shut-off valve. The fact that an insurance company may require these repairs does not necessarily mean that the Seller is obligated to pay for and/or make the repairs requested by the insurer. In addition, prior claims submitted by Buyers on other properties may affect the final cost of the homeowners' insurance on the property being purchased by Buyers. Buyers should investigate these matters thoroughly prior to removing their inspection contingency.
14. **C.L.U.E. REPORTS OF INSURANCE CLAIMS:** Standard real estate disclosure forms specify that Sellers must provide Buyers with insurance claims history for the property for a period of five years preceding the sale. Sellers do not always know (or remember) the insurance claims history. Thus for many years the Natural Hazards Disclosure Statement ("NHDS") Reports included a report used by insurance companies called C.L.U.E. The NHDS Reports no longer include the C.L.U.E. report. Because a C.L.U.E. report itself is not required, Sellers may disclose the insurance information themselves as part of the disclosure process. If Sellers want to rely on C.L.U.E. for the most accurate information regarding past insurance claims, Sellers may be able to either: (a) go online to: [https://personalreports.lexisnexis.com/homesellers\\_disclosure\\_report/agent.jsp](https://personalreports.lexisnexis.com/homesellers_disclosure_report/agent.jsp) and create an account that will enable the Sellers to order a C.L.U.E. report; or (b) contact their homeowner insurance policy broker who may be able to provide a copy. Buyers can also add to their contract offer the obligation for Sellers to provide them a C.L.U.E. report.
15. **RE-KEYING:** All locks should be re-keyed immediately upon close of escrow so as to ensure the Buyers' safety and security of their persons as well as their personal belongings. Alarms, if any, should be serviced by professionals and codes should be changed. Garage door openers and remotes should be re-coded.
16. **ONLINE INFORMATION:** Online information regarding the Property, or the neighborhood, may exist online in various blogs, discussion boards, Facebook pages, etc. For example, some neighborhood associations and homeowner associations (HOA's) have official sites; whereas other unofficial sites written by third parties may exist with postings about the community. Some of the online sites offer viewers the opportunity to express opinions and air complaints. The information contained on those sites may consist of opinion, speculation, unfounded assertions or rumor, making it difficult to determine what is factual and what is not. **Neither Seller nor any of the real estate licensees may be aware of, nor will they conduct a search of, such online information and they are not obligated to verify or explain the posted issues and/or commentary of third parties.**
17. **ONLINE PHOTOS:** Sellers and Buyers are advised that photos of their property will be included in the MLS listings and, perhaps, on the listing broker's website. It is now common that such photos will subsequently be added to other brokers' websites, and various national listing aggregation sites such as Realtor.com, Trulia, Zillow, and others. From there, photos may be copied on to other websites as well, with or without the permission of the host site. After the close of escrow, or a termination of a

listing, Sellers and Buyers are advised it is not possible for the listing or selling broker to remove these photos from websites over which they have no control.

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

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

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

- 19. PERSONAL PROPERTY AND STAGING ITEMS:** Sellers and Listing Brokers/Agents often engage the services of "Staging" companies to assist in presenting the Property in its best light. The furniture, furnishings and accessories provided by the staging company is removed prior to close of escrow and do not transfer to the Buyer.

Standard Purchase Agreement forms specify that NO personal property is included in the sale unless specifically designated in the Agreement or an Addendum. The MLS entry, flyers and other marketing materials are NOT part of the Purchase Agreement. NONE of the staged furniture or other items (e.g. window treatments, mirrors, rugs, lamps, plants, etc.) is included in the sale. Buyers who wish to purchase any staged items should enter into a separate written agreement with the staging company.

- 20. WATER HEATERS:** Under State law, all water heaters must be braced, anchored or strapped to resist falling or horizontal displacement due to earthquake motion and Sellers of Property must certify to Buyers that the bracing requirement has been satisfied. In addition, water heaters which are newly installed or moved must be raised so their ignition point is 18 inches off the ground. Many other plumbing code requirements may also apply, e.g. gas venting, pipe wrapping, temperature and pressure relief valves, drain valves, bollard protection in garages.

- 21. SMOKE ALARMS AND CARBON MONOXIDE DETECTORS:** California Health and Safety Code §13113.8 requires installation of smoke alarms in residential property. If a TDS is required, the Sellers certify that the Property has (or will have prior to Close of Escrow) operable smoke alarms which are approved and installed in compliance with the State Fire Marshal's regulations and



applicable local standards including installation of alarms with 10-year batteries in all bedrooms before finalizing any permitted contracting work costing \$1,000 or more. State law requires carbon monoxide detectors in living areas of residential properties that have fossil fuel burning appliances, even if those appliance are several floors below, for example, furnaces in the basement of a condominium building. Some Cities have more specific requirements. For example, Albany requires that, prior to the sale of any real property, Sellers shall upgrade the smoke alarm/smoke detector system to photoelectric-only devices but there are exemptions for hardships and infeasibility of compliance. For more information, contact your local Building Department.

Additional fire extinguishing systems, such as interior sprinklers, may be required for apartments. Buyer should investigate all fire protection requirements with the local Fire Chief.

- 22. ANIMALS:** Current or previous owner(s) may have had domestic and/or other indoor or outdoor animals on the Property; animals can cause damage to various aspects of the 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.

Property may be subject to local ordinances regulating the maintenance, breeding, number or type of animals permitted, or other requirements such as spaying or neutering. Buyers should investigate whether Homeowner and Common Interest Associations have imposed restrictions on animals. Neighbors may have animals that can cause problems including but not limited to noise or odors. Common pets such as dogs can bark, cats are not easily contained, and in some cases more unusual animals (such as poultry, exotic birds, and reptiles) may create issues that impact the value, use and enjoyment of the Property.

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

## **C. FEDERAL, STATE AND REGIONAL CONDITIONS ADVISORIES**

- 23. a. UNSTABLE HILLSIDES:** Many hillside properties are active and potentially active landslide areas. Many of the geologic forces which have shaped California over the eons are still active today. The only way to determine the nature of the soil and bedrock under a structure, and how these forces may affect those structures, is with a geologic or geotechnical inspection and report.

**b. EXPANSIVE SOILS:** Some parts of the Alameda area have expansive, or adobe, soil which will expand and contract with the wet and dry seasons. This expansion and contraction can cause movement or shifting of structures and their foundations.

**c. HIGH WATER TABLES:** Some parts of Alameda County have high water tables that can intensify mold growth and compromise the stability of soil and/or foundation. In addition, high water tables may

affect the use and enjoyment of the surrounding land, particularly during months of heavy rain. Buyers should consult the appropriate experts to help evaluate the effect of high water tables on the subject property and, when necessary, consider drainage modifications to protect the structure and improve the use and enjoyment of the surrounding landscape.

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

24. **WET WEATHER CONDITIONS:** At times, this area may have months with heavier than usual rainfall. During these times, hillside properties may be susceptible to earth movement and drainage problems. Properties on flatlands may be susceptible to flooding. Properties which may not have experienced water intrusion into or under the property in the past may experience these conditions as a result of weather-related phenomena. Sellers are obligated to disclose to Buyers those material defects or conditions known to them which affect the value or desirability of the property; however, not all Sellers may be aware of recent changes in the conditions of the property or its improvements caused by unusually wet weather. Because of these factors, it is recommended that, in addition to a home inspection, Buyers have such additional inspections by inspectors or engineers regarding these conditions as Buyers may desire.
25. **CLIMATE CONDITIONS:** The Alameda area exhibits several micro climates. Buyers are advised that these areas are subject to frequent strong winds, wind-driven rain, fog and mist, and direct sunlight, any of which, alone or in combination, can impact the condition of the land as well as prematurely age the interior and exterior of structures. Erosion, warping and cracking of surfaces, failed seals on dual-paned windows, loss of roof shingles, and water intrusion, among other problems, are not uncommon with such properties, and thus these properties require regular, thorough maintenance. Buyers are advised to fully investigate these conditions and the increased maintenance and repairs that may be needed for any Property located in these coastal areas.
26. **PERMIT ISSUES:** Improvements made to any property such as repairs, remodels and additions may have been built or used without all required permits. One such example would be where a second living unit ("in-law unit") is being rented by the Seller but the required permit was not obtained for this in-law unit. An improvement that is made without the required permit can, among other things, have a negative impact on value, require a retrofit, impact habitability, preclude insurance coverage and/or result in fees, penalties, government and/or civil enforcement actions. In some cities, there may be a lower standard applied in those circumstances where the property owner is obtaining the permits, as opposed to a contractor doing so. Buyers should investigate the permit status of all structures and uses; real estate licensees are not qualified to conduct such off-site investigations.
27. **NONCONFORMING USES, ROOMS, ALTERATIONS OR ADDITIONS:** Any rooms, alterations or additions to the Property which were done without necessary permits or certificates of completion ("nonconforming improvements") may be subject to fines, permit and construction costs, and other expenses to bring into conformity. Nonconforming improvements may be subject to removal by local building inspection and code enforcement agencies. Nonconforming rental units may be required to be vacated and possibly torn down. It may not be feasible to legalize nonconforming improvements because of zoning, permit and/or other legal or regulatory limitations. Some building inspection and code enforcement agencies may conduct random inspections of properties for permit, code and other violations while the Property is being marketed. Such nonconforming improvements may also be discovered when anyone applies for a permit to do work on the property either before or after escrow closes. Whenever nonconforming uses are discovered, the then-current owner could face expensive repairs, permit fees and other costs and/or even removal of the nonconforming improvement.

While Sellers are obligated to disclose any known nonconforming improvements, Seller may not be aware of some or all illegal improvements or uses especially those that were made prior to Seller's

ownership of the Property. Real estate brokers and agents are not required by law to inspect public records and cannot determine the legal status of improvements based solely on their required visual inspection of the property. Thus, Buyers are strongly urged to investigate possible nonconforming improvements by personally contacting the local building inspection and code enforcement agencies as well as obtaining the advice of contractors, architects, engineers or other professionals regarding the status and condition of the Property prior to removing inspection contingencies.

28. **CODE COMPLIANCE AND ENFORCEMENT:** Even if the Property is new construction, not all aspects, components and structures on the Property may comply with current code. This may be because code requirements have changed since the improvements were first constructed or, in some cases, noncompliant improvements may have been made by the current owner, or even by prior owners without the knowledge of the current owner. Real estate brokers are not qualified to identify code violations. If the applicable city or county building department discovers the code violations, the current owner may be required to bring the property into current code compliance or remove or demolish the portion of the property that is in violation. Various building departments take different approaches to enforcement; some are stricter than others. Prior to removal of the inspection contingency, Buyers should have the home inspected by a qualified home inspector who can identify code violations and comment on local codes, regulations and practices regarding enforcement.
29. **HISTORIC RESOURCES:** Some towns, including Fremont, Pleasanton and Union City, have enacted ordinances to preserve and protect certain properties or areas that have been deemed to be of historical significance. Real estate brokers are not qualified to identify the legal or practical effect of any historic designation. Buyers should investigate these issues with the local planning department.'
30. **UNDERGROUND UTILITIES:** Some towns and cities have begun the process of burying utility lines underground in order to remove the utility poles in the neighborhood. These projects can result in special tax assessments and set-up costs for the individual homeowners. It is recommended that Buyers investigate this issue with Pacific Gas and Electric Company ("PG&E").
31. **CRIME:** The existence of crime is a fact of urban life. Some areas experience more crime than others. Crime statistics for various areas and municipalities may rise and fall over time and the incidence of various types of criminal activity may also increase or decrease. At times, local law enforcement agencies may target designated areas for special but temporary enforcement measures. Individual criminal acts may occur in any neighborhood or may occur close to a property that is being sold while other criminal acts may occur far away. Some crimes may be reported in the local news while others are ignored by the media. Because of the ever-changing nature of the statistics and information regarding crimes, neither Seller nor brokers will independently investigate crime or criminal activity in the area of any property being purchased by any means including, but not limited to, contacting the police or reviewing any internet data bases. If criminal activity is a factor in the decision to purchase a particular property, or in a particular neighborhood, Buyers are urged to check with the local law enforcement agencies and online information, prior to removing their inspection contingency.
32. **DROUGHT ADVISORY:** Due to severe drought conditions, water usage has also been restricted by many local municipalities and water authorities. Current and future restrictions may impact the Property by limiting water usage and/or increasing water costs. These limitations may affect the quality of life at the Property and the ability to use water in the home or for landscaping, agricultural or livestock purposes. Buyers should thoroughly investigate this issue, including but not limited to: contacting the local water authority; contacting the local government including City and County authorities; and searching various public websites as to whether there are any existing or planned water limitations and/or the impact of those regulations on any local minimum landscaping requirements. Brokers do not have expertise in water usage rights or limitations, and Brokers do not have an obligation to, and will not, research any water restrictions relating specifically to the Property including but not limited to inspecting public records concerning water usage at the Property.



- 33. WATER-CONSERVING PLUMBING FIXTURES:** Existing law calls for installation of water-conserving plumbing fixtures when the existing plumbing fixtures are “noncompliant” by certain dates, as discussed here. A **noncompliant plumbing fixture** means: (1) any toilet manufactured to use more than 1.6 gallons of water per flush; (2) any urinal manufactured to use more than one gallon of water per flush; (3) any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute; and (4) any interior faucet that emits more than 2.2 gallons of water per minute. There are various dates for compliance:

**SINGLE-FAMILY RESIDENCES:** Under this law, a condo, even a single condo occupied by only one family, is not a single-family residential property. **Until December 31, 2016**, if a single-family residence is altered or improved, the installation of such fixtures must be a condition of final permit approval. However, **after January 1, 2017, all single-family residences built prior to January 1, 1994 must comply with this law by replacing all noncompliant plumbing fixtures whether or not the property is being remodeled or sold.**

**Commencing January 1, 2017, Sellers will need to disclose to Buyers, in either the Seller Property Questionnaire (SPQ) or the Exempt Seller Disclosure (ESD) form, if Sellers are aware of whether the Property has any noncompliant plumbing fixtures.** If a Seller answers “No” to that question, Buyers should not assume that the Property is fully compliant since the “No” response may merely mean that Seller is unaware or is uncertain as to whether or not any such fixtures are noncompliant. For this reason, as a part of their property inspection of Properties subject to this law, Buyers are urged to have all plumbing fixtures inspected by a qualified professional to determine whether all plumbing fixtures are actually compliant with this law.

**MULTI-FAMILY AND COMMERCIAL PROPERTIES: Until December 31, 2018:** As a condition of final permit approval, owners must replace all plumbing fixtures with water-conserving fixtures if (1) permits are obtained to increase the floor area by more than 10%; (2) building alterations or improvements exceed \$150,000 in costs; or (3) permits are obtained for a room with plumbing fixtures. **After January 1, 2019:** All multi-family and commercial properties must comply with this law by replacing all noncompliant plumbing fixtures. Also, starting on that date, Sellers will need to disclose to the prospective Buyer if Seller is aware whether the property has any noncompliant plumbing fixtures.

- 34. REAL PROPERTY TAXES AND ASSESSMENT DISTRICTS:** The Purchase Agreement addresses payment of real property taxes and assessments relating to the Property. As part of their negotiations for the Purchase Agreement, the parties may decide how to prorate such taxes and assessments; payments on bonds and assessments and their assumption by Buyers; and payment on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien on the Property. The existence of Mello-Roos and 1915 Bond districts will be outlined in a report by a Natural Hazard Disclosure (NHD) company. Most other assessment districts will be reported in the Preliminary Report from the title company. Still others may be disclosed by Seller or local disclosure. The Seller's tax bill alone does not necessarily reflect all of the costs related to taxes and assessments on real property. If there is a question as to whether an existing bond or assessment will be prorated as of the close of escrow, or whether Seller will pay off the bond or assessment at close of escrow, Buyers are advised to discuss the matter with the appropriate District prior to removal of the appropriate inspection or title contingency, and to address responsibility for payment of taxes and assessments in the negotiations for the Purchase Agreement. Information about the existence of a Mello-Roos tax in connection with any development is subject to change and it is not the responsibility of the Broker to make that determination.
- 35. FIRPTA:** Federal law requires Buyers to withhold and remit to the Internal Revenue Service fifteen percent (15%) of the sales price (or 10% if the property is to be used as the Buyer's residence and the sales price is \$1,000,000 or less) if a Seller is a non-resident alien (“Foreign Investor”), unless a federal exemption applies to the Seller and/or the transaction. Sellers who are relying on the exemption that they are not classified as a Foreign Investor may avoid this federal withholding

requirement one of two ways: (a) by providing Buyers with Seller's Affidavit of Nonforeign Status ("Affidavit") which is signed by each Seller under penalty of perjury and includes each Seller's Social Security Number ("SSN") or Taxpayer Identification Number ("TIN"); or b) if the Escrowholder provides the Buyers with a Qualified Substitute Statement ("QSS") in which the Escrowholder, as the Qualified Substitute, states under penalty of perjury that the Substitute has verified the required taxpayer information. **NOTE TO BUYERS: Unless an exemption applies, if a Buyer does not obtain either the Seller's Affidavit or the Escrowholder's QSS, and a Foreign Investor Seller fails to pay taxes due on the sale, the IRS can assess against the Buyer the full 10 or 15 percent of the sales price that should have been withheld, or the Seller's actual tax liability in the sale, whichever is less, plus interest and penalties.**

Sellers who are relying on the exemption that they are not classified as a Foreign Investor are required to provide either Buyer or the Escrowholder with a completed Seller Affidavit that includes the Seller's SSN or TIN. If after a request, Buyer does not receive either the fully completed and signed Seller Affidavit, or a properly prepared and signed QSS, then Buyer should either instruct the Escrowholder to withhold the correct percentage of the sales price, or instruct the Escrowholder to delay the closing of escrow to enable the Seller to provide the proper documentation.

**Sellers and Buyers are urged to consult with their legal and tax advisors with any questions regarding FIRPTA.** Sellers and Buyers cannot agree to waive these federal requirements nor can they sign any agreement that FIRPTA does not apply.

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

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

[https://portal.hud.gov/hudportal/documents/huddoc?id=HUD\\_OGCGuidAppFHASandCR.pdf](https://portal.hud.gov/hudportal/documents/huddoc?id=HUD_OGCGuidAppFHASandCR.pdf)

- 37. SCHOOLS:** Some school districts have experienced financial and academic achievement difficulties and, as a result, may face bankruptcy, reorganization or takeover by a state administrator. Each school district has its own rules regarding school assignments, and these rules may change at any time with little notice. For these reasons, brokers cannot represent or guarantee that anyone who resides in any particular property will be able to attend any particular school or school district. These and any other factors or concerns of Buyers should be investigated by Buyers prior to removing inspection contingencies in a purchase agreement
- 38. NEW CONSTRUCTION WARRANTIES, DEFECTS AND LAWSUITS:** The Real Estate Transfer Disclosure Statement ("TDS") requires Sellers to disclose if there are any lawsuits by or against the Sellers threatening or affecting the real property along with questions related to construction defects, citing Civil Code Sections 900, 903, 910 and 914. These codes are part of a law that is often referred to as SB800 or Title 7, which generally applies to residential real property built by a "Builder" (as

defined in Section 911) and sold for the first time after January 1, 2003. Section 900 provides for a limited one-year warranty from the Builder and Builders may provide “enhanced protection agreements” which may extend the warranty period. Homeowners are required to follow all reasonable maintenance obligations and schedules communicated in writing by the Builder and product manufacturers, as well as commonly accepted maintenance practices. Failure to do so may provide a defense against a homeowner claim and Builders often require specific pre-litigation procedures and remedies in the event of a claim against the Builder. Sellers who have questions about how to answer this TDS question should consult with a California real estate attorney for advice. If the Sellers disclose any lawsuits or claims, Buyers should investigate such disclosures with a California real estate attorney. Brokers are not qualified to provide advice on these matters.

39. **PRIVATE ROADS:** If the property is assessed or affected by a private road that is shared with one or more other properties, Buyers need to determine the existence of a recorded private road maintenance agreement and compliance with that document. If no such agreement exists, Civil Code Section 845(s) provides that “the cost shall be shared proportionately to the use made of the easement by each owner.” Buyers should contact city/county officials and/or their attorney to evaluate their potential responsibilities.

## D. COUNTY AND CITY ADVISORIES

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

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

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

41. **SAN FRANCISCO BAY REGULATIONS:** The San Francisco Bay Conservation and Development Commission (“BCDC”) is charged with the responsibility of restoring Bay wetlands and marshes, preventing wetlands and mudflats from being filled, and supporting the continued and productive use of salt ponds. Properties abutting San Francisco Bay, its tidelands and marshes, may be subject to the jurisdiction of the BCDC which may limit building, and impose other requirements on property owners. Buyers of such property are urged to contact BCDC at (415) 352-3600.
42. **FLOOD BENEFIT ASSESSMENT:** The Alameda County Flood Control and Water Conservation District levies benefit assessments to help finance flood control operations. These assessments are proportionate to the runoff from each parcel of land. The program applies to all of Alameda County with the exception of the Cities of Albany, Berkeley, Alameda, Piedmont, and the Zone 7 area east of the hills (Livermore-Amador Valley). *For more information, contact the Assessor’s Office: (510) 272-3787.*
43. **SPARK ARRESTORS:** As of the date of this Advisory, the cities of Dublin and Pleasanton have enacted ordinances requiring that properties with fireplaces be fitted with spark arrestors at the time of a sale. Dublin also requires that Seller deliver to Buyer a written statement indicating that the Seller is in compliance with the ordinance. (Dublin Ord. 37-87 § 1 (b)) Other cities may also enact

such ordinances. For more information on a particular city's requirements, contact the local Building Department or Fire Chief.

- 44. RENTAL PROPERTY ISSUES:** The Cities of Alameda, Berkeley, Fremont, Hayward and Oakland have a form of rent and/or eviction control. Other cities are considering or may in the future enact such ordinances. Buyers are advised to investigate these ordinances and to satisfy themselves as to the applicability of these ordinances to their intended use or development of the property. The City of Hayward also has a residential rental inspection program which may apply to some properties. Buyers should investigate that issue during their inspection contingency period.
- 45. RESIDENTIAL RENTAL UNIT ANNUAL FEE:** Several cities, including but not limited to Alameda, Albany, Berkeley, Oakland, El Cerrito and Emeryville charge landlords a "Residential Rental Unit Annual Business Tax License Fee." The County and/or other cities may enact comparable requirements. The fee may be imposed after escrow closes and the amount or calculation of these fees can change. Please contact the city in which your rental property is located to determine if such fees are charged, and for the most current list of such fees.
- 46. HVAC/DUCTING:** The California Energy Commission issued New Duct Sealing Requirements in 2005. Depending upon certain conditions and the Property location, if a central air conditioner or furnace was installed or replaced after October 1, 2005, the ducts must be tested for leakage. If the ducts leak 15% or more, then repairs must be made to seal the ducts. Additional testing may then be required to verify that the work was done properly. It is strongly recommended that all of this work be done by licensed contractors who should obtain all required permits. Only a contractor who has specialized knowledge regarding HVAC systems can determine whether or not the ducts must be sealed. While portions of Alameda are exempt from this requirement, only a review of the official map of the California Energy Commission can determine whether a particular property is exempt. **See Map for applicable Climate Zones at:** [http://www.energy.ca.gov/maps/climate\\_zone\\_map.html](http://www.energy.ca.gov/maps/climate_zone_map.html)
- 47. SEWER LINE INSPECTION AND COMPLIANCE:**

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

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

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

These PSL requirements affect properties in the EBMUD wastewater service area in the City of Alameda and the cities of Emeryville, Oakland, Piedmont and the STEGE Sanitary District communities of El Cerrito, Kensington, and Richmond Annex. The Cities of Albany and Berkeley also have local PSL private ordinances already in effect.

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

**Vacant Land:** For Vacant land within EBMUD with NO sewer lateral, the Buyer or Seller must still file

for an exemption certificate. However, for vacant land that HAS an old sewer lateral (such as a fire lot in the Oakland Hills):

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

**For detailed and current information on the property's compliance status, and the inspection, repair, temporary waiver and/or certification process, Sellers and Buyers are urged to go to the EBMUD/PSL site at <http://www.eastbaypsl.com/eastbaypsl/>**

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

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

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

**48. REAL ESTATE DEVELOPER AND REHABILITATION OF REAL ESTATE:** Every person in Alameda County engaged in the business of developing or rehabilitating and selling real property in which said person has equity, interest or title, and not specifically taxed by Section 3.04.350 or other provisions of this chapter, shall pay a business tax of one dollar and twenty-five cents (\$1.25) for each thousand dollars (\$1,000.00) of permit value for building permits obtained for work engaged in at sites within the unincorporated areas of the county. *For more information, visit: [Real Estate Rehabilitation Ordinance](#)*

**49. SIDEWALK REPAIR PROGRAM:** This program only applies to single-family residential units in the following communities within County Planning Area 2: Ashland, Castro Valley/ Fairmont, Cherryland, Unincorporated Hayward/Fairview, and San Lorenzo/Royal Sunset. Funded through Measure B, this program will reimburse 50% of the sidewalk repair cost per property ( up to a maximum of \$750) for sidewalk-related repairs to the frontage of a single family dwelling Homeowners residing in San Lorenzo may be eligible for additional assistance through Redevelopment funds. *For more information contact the Public Works Agency: (510) 670-5500.*

**50. ALAMEDA CITY ORDINANCES AND DISCLOSURES:**

**a. SECONDHAND SMOKE ORDINANCE:** The City of Alameda limits exposure to secondhand smoke in places of employment, public places and multi-unit housing (defined as two or more units). Smoking is prohibited inside the units of all rental and common interest complexes (condos, co-ops,

PUDs). Additional information is available from the City of Alameda at (510) 747-4700 or online at: [www.cityofalamedaca.gov/Residents/Secondhand-Smoke-Policies](http://www.cityofalamedaca.gov/Residents/Secondhand-Smoke-Policies)

**b. WATERFRONT PROPERTIES:** Properties adjacent to the Oakland Inner Harbor Canal or San Leandro Bay may have buildings, fences, seawalls, boat docks, or other structures that may be encroaching on or over Federal Property with or without appropriate permit(s). *For more information, contact the Alameda Community Development Department at (510) 747-6850.*

**c. BUILDINGS CONSTRUCTED PRIOR TO 1942 AND/OR DESIGNATED HISTORICAL SITES:** Any Property constructed prior to 1942, as determined by City of Alameda records, may not be demolished or removed without the approval of the Historical Advisory Board. Further, some properties have been deemed to have historical merit and have been placed on the Historical Building Study List. Restrictions on modifications or repairs to these properties can apply. *For more information, contact City of Alameda Community Development Department at 510-747-6850, or Buyers may consult with a property historian.*

**d. SOFT STORY ORDINANCE:** Multi-unit residential apartment and condominium buildings with five (5) or more residential units, containing a soft, weak, or open front ground floor, may be designated as potentially hazardous in the event of an earthquake. The City of Alameda has identified and maintains a list of such properties. Buyers should contact the City of Alameda Community Development Department to determine if the property is on the Soft Story list and what further action is required. *For more information contact the City of Alameda Community Development Department at (510) 747-6850. It is recommended that Buyers investigate the status of permitting and zoning with the City of Alameda Community Development Department, (510) 747-6850.*

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

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

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

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

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

**j. SCHOOLS:** To determine the location of the school the student will be attending, contact the administrative offices of the Alameda Unified School District (510) 337-7000.

**k. PARKING ADVISORY:** Parking of vehicles both on and off street is governed by city code and/or homeowner's association rules and regulations. Parking could be restricted. Buyers should thoroughly review all documents related to parking. *For more information, contact the City of Alameda Community*

*Development Department at (510)747-6850 and if applicable, the appropriate HOA.*

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

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

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

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

- 52. LIVERMORE REGULATIONS:** A Report of Residential Building Records is required to be delivered to the buyer prior to the close of escrow. For more information, go to: [www.cityoflivermore.net/civicax/filebank](http://www.cityoflivermore.net/civicax/filebank)

**53. OAKLAND REGULATIONS:**

Below is a partial list of Oakland's major regulations relating to property ownership. These regulations, taxes and fees may not apply to your particular property, but are provided as a convenient reference. This is not intended to be a complete list of all Oakland regulations. Copies of Oakland's ordinances, codes and regulations can be obtained from Oakland's Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1<sup>st</sup> Floor, Oakland, CA 94612, (510) 238-3611, between 8:30 a.m. – 5:00 p.m., Monday through Friday, or by clicking on the Municipal Code link on the City of Oakland's website at: [www.oaklandnet.com](http://www.oaklandnet.com)

- [Business Tax](#)
- [Garbage Collection](#)
- [Real Property Transfer Tax](#)
- [Landscaping and Lighting Assessment District](#)
- [Mello-Roos Community Facilities District](#)
- [Emergency Medical Services Assessment District](#)
- [Paramedic Services Assessment District](#)
- [Library Services Retention Assessment District](#)
- [Fire Utility Underground Assessment District](#)
- [Medical Hill Parking Assessment District](#)



- [Lakeshore Ornamental Lighting Special Assessment District Phase I & IV](#)
- [LaSalle Utility Undergrounding Assessment District](#)
- [Harbord Utility Undergrounding Assessment District](#)
- [Grizzly Peak Utility Undergrounding Assessment District](#)
- [Skyline Sewer Assessment District](#)
- [Rockridge Area Water Improvement Assessment District](#)
- [Lakeshore/Lake Park Business Improvement Management District](#)
- [Fruitvale Business Improvement District](#)
- [Report of Residential Building Record](#)
- [Residential Rent Arbitration Section](#)
- [Tree Ordinance](#)
- [Hazardous Tree Ordinance](#)
- [View Ordinance](#)
- [Earthquake Safety](#)

#### **54. PIEDMONT CITY ORDINANCES:**

**a. OPEN PERMITS AND NON-PERMITTED CONSTRUCTION:** The City of Piedmont maintains a “House File” for every Piedmont residence. While the City does not verify or guarantee the accuracy of the information contained in their files, Buyers of any Piedmont residence are encouraged to review the entire file during the Buyers’ inspection contingency period, if any, to determine what existing work on the Property was done with or without permits and whether the permits are still “open.” To review the House File and/or request a Permit History, Buyers should go to the Department of Public Works, 120 Vista Avenue, Piedmont. Further information can be obtained by contacting the Piedmont Department of Public Works at (510) 420-3050. No New Permits will be issued for construction, repair or remodeling on the property if any historical permits are still open. For general information about permits, non-permitted construction and compliance, see Paragraphs 26, 27 and 28 above.

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

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

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

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



## E. SOURCES OF INFORMATION:

**City of Alameda:** <http://www.AlamedaCA.gov>

2263 Santa Clara Ave, Room 380 Alameda, CA 94501 Tel: 510/747-4800

Alameda Rent Stabilization:

[https://alamedaca.gov/sites/default/files/board-commission-docs/ordinance\\_3148-2.pdf](https://alamedaca.gov/sites/default/files/board-commission-docs/ordinance_3148-2.pdf)

**Police** <http://www.ci.alameda.ca.us/police/> Tel: 510/337-8340

**City of Albany:** <http://www.albanyca.org/>

1000 San Pablo Ave, Albany CA 94706 Tel: 510/528-5710

**Police** <http://www.albanyca.org/dept/police.html> Tel: 510/525-7300

**City of Berkeley:** <http://www.ci.berkeley.ca.us/>

2120 Milvia Street, Berkeley CA 94704 Tel: 510/981-7440

**Berkeley Rent Control:** <http://www.ci.berkeley.ca.us/rent/>

2125 Milvia Street, Berkeley, CA 94704 Tel: 510/644-6128

**BESO:** <http://www.cityofberkeley.infor/BESO>

**Police** <http://www.ci.berkeley.ca.us/police/> Tel: 510/981-5900

**City of Emeryville:** <http://www.ci.emeryville.ca.us/>

1333 Park Ave, Emeryville CA 94608 Tel: 510/596-4300

**Police** <http://www.ci.emeryville.ca.us/police/> Tel: 510/596-3700

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

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

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

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

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

**City of Piedmont:** <http://www.ci.piedmont.ca.us/>

120 Vista Avenue, Piedmont, CA Tel: 510/420-3040

**Police** <http://www.ci.piedmont.ca.us/> Tel: 510/420-3000

**Steges Sanitary District:** <http://www.stegesd.dst.ca.us/>

7500 Schmidt Lane, El Cerrito CA 94530 Tel: 510/524-4668

**West County Waste Water District:** <http://www.wc wd.org>

2910 Hilltop Dr, Richmond, Ca 94806 Tel: 510/222-6700

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

## F. ATTORNEY AND ACCOUNTANT RECOMMENDATIONS:

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

## G. THE PARTIES ACKNOWLEDGE THE FOLLOWING REGARDING BROKER:

- Broker does not warrant or guarantee the condition of the Property.
- Broker shall not be responsible for failure to disclose to Buyer facts regarding the condition of the property where the condition (i) is unknown to Broker or (ii) is not capable of being seen by Broker because it is in an area of the property that is reasonably and normally inaccessible to a Broker;
- **Broker has not verified square footage, size of structures, acreage or boundary lines of the property; representations made by others; information received from public records, Seller or other third parties; information contained in inspection reports or in the Multiple Listing Service, or that has been copied therefrom; or statements in advertisements, flyers or other promotional material; or any other matters described in this Disclosures and Disclaimers Advisory; unless otherwise agreed in writing;**
- Broker does not guarantee, and shall not be responsible for, the labor or services or products provided by others to or on behalf of Buyers or Seller and does not guarantee, and shall not be responsible for, the quality, adequacy, completeness or code compliance of repairs made by Seller or by others;
- Broker does not decide what price Buyers should pay or Seller should accept;
- Broker is not qualified to give legal, tax, insurance or title advice; and
- Brokers lack professional expertise in the areas listed above, and do not verify the results of any inspections or guarantee the performance or reports of any inspection or professional services.
- **Buyers and Sellers are advised to investigate and choose their own service providers to conduct investigations and advise them on these and all matters related to the sale and purchase of real property. In these and all other matters referred to in this Disclosures and Disclaimers Advisory, Buyers and Sellers are advised to seek any desired assistance from appropriate qualified professionals. Nothing any real estate licensee may say will change the terms or effect of this Advisory. This document may be signed in counterparts.**

### ELECTRONIC SIGNATURES

Buyers and Sellers may be able to sign transaction documents electronically making it possible to skip from one signature line to the next and thus it is easier to ignore the terms and conditions to which a signature or initial applies. If Buyers and Sellers choose to sign documents electronically, they must be certain to take the time necessary to read each document thoroughly and only sign or initial those documents with full knowledge and consent of that which they intend to sign.

**WIRE FRAUD SCAM ALERT**

Recently there is a small but growing scheme in which Buyers and Sellers have received e-mails from their agent or an escrow company providing wire transfer information for money from Buyer to Escrow, or to Seller for proceeds from Escrow. Hackers intercept these e-mails and then alter the wire transfer instructions to re-direct the funds to the hacker's account with an off-shore bank. **DO NOT EVER WIRE FUNDS PRIOR TO CALLING THE ESCROW OFFICER AT THE NUMBER PREVIOUSLY PROVIDED TO YOU and confirming verbal wire transfer instructions before taking steps to have the funds transferred.** If you have received questionable wiring instructions, notify your bank, real estate agent and the Escrowholder, as well as the FBI at: <https://www.fbi.gov/> and the Internet Crime Complaint Center at: <http://www.ic3.gov/>

THE UNDERSIGNED ACKNOWLEDGE RECEIPT OF ALL 23 PAGES OF THIS ADVISORY

Dated: \_\_\_\_\_

\_\_\_\_\_  
Buyer

Dated: \_\_\_\_\_

\_\_\_\_\_  
Buyer

Dated: \_\_\_\_\_

\_\_\_\_\_  
Seller

Dated: \_\_\_\_\_

\_\_\_\_\_  
Seller



## **RED OAK REALTY ADVISORY REGARDING COMPLETING DOCUMENTS ELECTRONICALLY**

**PLEASE READ THE FOLLOWING IMPORTANT INFORMATION REGARDING  
SIGNING DOCUMENTS ELECTRONICALLY.**

**During a real estate listing and/or real estate sale transaction you may be asked to sign various documents electronically if you are willing to use that method. Because of the nature of electronic documents it is possible to skip from one signature line to the next, making it easy to ignore the language of the paragraph(s) to which the signatures or initials apply. Because of this feature of electronic signatures it is important that you read and understand the following recommendations:**

- 1. PLEASE READ EACH DOCUMENT:** It is important that you read and understand each transaction document prior to initialing any paragraphs or pages or signing the document where indicated. You should take the time to thoroughly read through each document and make sure that you understand what you are signing, just as you should do if you were signing paper versions of these documents. You may have to scroll up or down to read a whole page.
- 2. TAKE YOUR TIME:** There may be a temptation to just skip from one place indicated for your signature to the next. This is easy to do when signing documents in an electronic format. However, it is essential that you **TAKE YOUR TIME**. Review the entire document before initialing or signing.
- 3. OPTIONAL SIGNATURES OR INITIALS:** If there is an indication that a signature or initial is optional, such as for Liquidated Damages or Arbitration paragraphs, take your time to consider whether you want to sign/initial that paragraph so as to make it a part of the contract.
- 4. MORE THAN ONE SIGNER:** If more than one person is required to sign the following documents, it is essential that each party separately affix their signatures where indicated on each document.
- 5. PRINT A COPY:** Before sending the documents after signature, print a copy. Once you send the documents it is difficult to obtain a copy of what you signed.
- 6. QUESTIONS OR CONCERNS:** **If you have any questions or concerns it is important that you call or email your real estate professional or if you need legal, tax or insurance advice, be certain to consult the appropriate professional(s).**

**I acknowledge receipt and I have carefully read this Advisory.**

**Seller/Buyer:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Seller/Buyer:** \_\_\_\_\_ **Date:** \_\_\_\_\_

# RED OAK REALTY

## EARTHQUAKE HAZARD ONLINE BOOKLET LINKS RECEIPT

To Whom it May Concern: I/We Have received the links to the residential properties booklet, the government booklets, handouts, and safety guides listed below:

- Home Energy Rating Guide  
- [http://propertyid.com/platinum/Downloadables/Guides/energyrating\\_cec\\_bw.pdf](http://propertyid.com/platinum/Downloadables/Guides/energyrating_cec_bw.pdf)
- California Homeowner's Guide to Earthquake Safety -  
<http://www.propertyid.com/govbooklets/govbookletsearthquake.pdf>
- Department of Health Services Residential Environmental Hazards -  
<http://www.propertyid.com/govbooklets/govenviro.pdf>
- EPA Lead in Your Home - <http://www.propertyid.com/govbooklets/govbookletsleadinsert.pdf>
- Department of Health Services Mold FAQ  
- <http://www.propertyid.com/govbooklets/govbookletsmoldfaq.pdf>

The government Commercial Property Owner's Guide to Earthquake Safety can be found at:

- <http://www.propertyid.com/govbooklets/govbookletsearthquakecomm.pdf>

Address: \_\_\_\_\_

Date: \_\_\_\_\_ Buyer's Signature: \_\_\_\_\_ Full Name: \_\_\_\_\_

Date: \_\_\_\_\_ Buyer's Signature: \_\_\_\_\_ Full Name: \_\_\_\_\_

Date: \_\_\_\_\_ Seller's Signature: \_\_\_\_\_ Full Name: \_\_\_\_\_

Date: \_\_\_\_\_ Seller's Signature: \_\_\_\_\_ Full Name: \_\_\_\_\_

**NOTE: For applicable transactions, it is also necessary to complete C.A.R. Standard form FLD (Lead-Based Paint & Lead-Based Paint Hazards Addendum, Disclosure and Acknowledgement).**

All signers should retain a copy of this page for their records.

-----



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

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

\_\_\_\_\_, dated \_\_\_\_\_, on property known as: \_\_\_\_\_ ("Property") in \_\_\_\_\_

which \_\_\_\_\_ is referred to as Buyer or Tenant and \_\_\_\_\_ is referred to as Seller or Landlord.

**LEAD WARNING STATEMENT (SALE OR PURCHASE)** Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligent quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

**LEAD WARNING STATEMENT (LEASE OR RENTAL)** Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive federally approved pamphlet on lead poisoning prevention.

**EPA'S LEAD-BASED PAINT RENOVATION, REPAIR AND PAINTING RULE:** The new rule requires that contractors and maintenance professionals working in pre-1978 housing, child care facilities, and schools with lead-based paint be certified; that their employees be trained; and that they follow protective work practice standards. The rule applies to renovation, repair, or painting activities affecting more than six square feet of lead-based paint in a room or more than 20 square feet of lead-based paint on the exterior. Enforcement of the rule begins October 1, 2010. See the EPA website at [www.epa.gov/lead](http://www.epa.gov/lead) for more information.

**1. SELLER'S OR LANDLORD'S DISCLOSURE**

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

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

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

Seller or Landlord \_\_\_\_\_ Date \_\_\_\_\_

Seller or Landlord \_\_\_\_\_ Date \_\_\_\_\_

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Buyer's/Tenant's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



**FLD REVISED 11/10 (PAGE 1 OF 2)**

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

Red Oak Realty, 6450 Moraga Ave Oakland, CA 94611  
Michele Senitzer

Phone: (510)283-1990 Fax: \_\_\_\_\_  
Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

123 Main

**2. LISTING AGENT'S ACKNOWLEDGMENT**

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

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

Red Oak Realty

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

By \_\_\_\_\_

Associate-Licensee or Broker Signature Date

Michele Senitzer**3. BUYER'S OR TENANT'S ACKNOWLEDGMENT**

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

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

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

\_\_\_\_\_  
Buyer or Tenant\_\_\_\_\_  
Date\_\_\_\_\_  
Buyer or Tenant\_\_\_\_\_  
Date**4. COOPERATING AGENT'S ACKNOWLEDGMENT**

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

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

\_\_\_\_\_  
Agent (Broker obtaining the Offer)

By \_\_\_\_\_

Associate-Licensee or Broker Signature Date

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



**RED OAK REALTY SUPPLEMENT TO  
LEAD BASED PAINT DISCLOSURE**

Property Address: \_\_\_\_\_

The Lead-Based Paint Renovation Rule, effective April 22, 2010, is an EPA rule affecting construction contractors, residential landlords, property managers and others who perform “renovations” for compensation in housing that may contain lead-based paint – that is, built before 1978. The term “renovation” includes most repair, remodeling and maintenance activities that disturb painted surfaces. This disclosure is required only for buildings built prior to 1978.

***Was the structure, or any part of it, built prior to 1978?***

☐ YES ☐ NO

This form is complete if the answer is “NO”.

***Since April 22, 2010, has there been any painting (interior or exterior), renovation, or remodeling other than minor repairs\*?***

☐ YES ☐ NO

This form is complete if the answer is “NO”.

\* (“Minor repairs” are defined as repairs that disturb 6 square feet or less of paint per room in the interior, or 20 square feet or less of paint in the exterior.).

***Seller had the following painting or renovations done since April 22, 2010:***

<b>PART OF HOME</b>	<b>REPAIR/RENOVATION PROJECT</b>	<b>MONTH/YEAR</b>

☐ See attached sheets (addition documentation, receipts, etc

This work may not have been done by the painter/contractor in conformance with the new EPA Lead Paint regulations which went into effect on April 22, 2010. Buyers should conduct their own investigation.

\_\_\_\_\_  
Date  
Seller

\_\_\_\_\_  
Date  
Seller

Reviewed and received:

\_\_\_\_\_  
Date  
Buyer

\_\_\_\_\_  
Date  
Buyer



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

**2. BUYER CONSIDERATIONS:**

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

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

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

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

Buyer's Initials (        ) (        )

Seller's Initials (        ) (        )

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**MCA REVISED 11/11 (PAGE 1 OF 2)**

**MARKET CONDITIONS ADVISORY (MCA PAGE 1 OF 2)**

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

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

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

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

### 3. SELLER CONSIDERATIONS:

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

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

Buyer \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_

Seller \_\_\_\_\_ Date \_\_\_\_\_

Seller \_\_\_\_\_ Date \_\_\_\_\_

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THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF Oakland, COUNTY OF Alameda, STATE OF CALIFORNIA, DESCRIBED AS 123 Main St, Oakland, 94605.

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

### I. COORDINATION WITH OTHER DISCLOSURE FORMS

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

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

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

### II. SELLER'S INFORMATION

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

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

Seller ☐ is ☐ is not occupying the Home.

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

- |                                                    |                                                                         |                                                                                               |
|----------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Range                     | <input type="checkbox"/> Wall/Window Air Conditioning                   | <input type="checkbox"/> Pool:                                                                |
| <input type="checkbox"/> Oven                      | <input type="checkbox"/> Sprinklers                                     | <input type="checkbox"/> Child Resistant Barrier                                              |
| <input type="checkbox"/> Microwave                 | <input type="checkbox"/> Public Sewer System                            | <input type="checkbox"/> Pool/Spa Heater:                                                     |
| <input type="checkbox"/> Dishwasher                | <input type="checkbox"/> Septic Tank                                    | <input type="checkbox"/> Gas <input type="checkbox"/> Solar <input type="checkbox"/> Electric |
| <input type="checkbox"/> Trash Compactor           | <input type="checkbox"/> Sump Pump                                      | <input type="checkbox"/> Water Heater:                                                        |
| <input type="checkbox"/> Garbage Disposal          | <input type="checkbox"/> Water Softener                                 | <input type="checkbox"/> Gas <input type="checkbox"/> Solar <input type="checkbox"/> Electric |
| <input type="checkbox"/> Washer/Dryer Hookups      | <input type="checkbox"/> Patio/Decking                                  | <input type="checkbox"/> Water Supply:                                                        |
| <input type="checkbox"/> Rain Gutters              | <input type="checkbox"/> Built-in Barbecue                              | <input type="checkbox"/> City <input type="checkbox"/> Well                                   |
| <input type="checkbox"/> Burglar Alarms            | <input type="checkbox"/> Gazebo                                         | <input type="checkbox"/> Private Utility or                                                   |
| <input type="checkbox"/> Carbon Monoxide Device(s) | <input type="checkbox"/> Security Gate(s)                               | Other _____                                                                                   |
| <input type="checkbox"/> Smoke Detector(s)         | <input type="checkbox"/> Garage:                                        | <input type="checkbox"/> Gas Supply:                                                          |
| <input type="checkbox"/> Fire Alarm                | <input type="checkbox"/> Attached <input type="checkbox"/> Not Attached | <input type="checkbox"/> Utility <input type="checkbox"/> Bottled (Tank)                      |
| <input type="checkbox"/> TV Antenna                | <input type="checkbox"/> Carport                                        | <input type="checkbox"/> Window Screens                                                       |
| <input type="checkbox"/> Satellite Dish            | <input type="checkbox"/> Automatic Garage Door Opener(s)                | <input type="checkbox"/> Window Security Bars                                                 |
| <input type="checkbox"/> Intercom                  | <input type="checkbox"/> Number Remote Controls _____                   | <input type="checkbox"/> Quick Release Mechanism on                                           |
| <input type="checkbox"/> Central Heating           | <input type="checkbox"/> Sauna                                          | Bedroom Windows                                                                               |
| <input type="checkbox"/> Central Air Conditioning  | <input type="checkbox"/> Hot Tub/Spa:                                   | <input type="checkbox"/> Water-Conserving Plumbing Fixtures                                   |
| <input type="checkbox"/> Evaporator Cooler(s)      | <input type="checkbox"/> Locking Safety Cover                           |                                                                                               |
| Exhaust Fan(s) in _____                            | 220 Volt Wiring in _____                                                | Fireplace(s) in _____                                                                         |
| <input type="checkbox"/> Gas Starter _____         | <input type="checkbox"/> Roof(s): Type: _____                           | Age: _____ (approx.)                                                                          |
| <input type="checkbox"/> Other: _____              |                                                                         |                                                                                               |

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

(\*see note on page 2)

Buyer's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



Property Address: **123 Main St, Oakland, 94605**

Date: \_\_\_\_\_

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

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

(Describe: \_\_\_\_\_ )

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

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

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

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

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

**D. 1.** The Seller certifies that the property, as of the close of escrow, will be in compliance with Section 13113.8 of the Health and Safety Code by having operable smoke detector(s) which are approved, listed, and installed in accordance with the State Fire Marshal's regulations and applicable local standards.

**2.** The Seller certifies that the property, as of the close of escrow, will be in compliance with Section 19211 of the Health and Safety Code by having the water heater tank(s) braced, anchored, or strapped in place in accordance with applicable law.

Buyer's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

**TDS REVISED 4/14 (PAGE 2 OF 3)**

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

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

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123 Main



Property Address: 123 Main St, Oakland, 94605

Date: \_\_\_\_\_

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

Seller \_\_\_\_\_ Date \_\_\_\_\_

Seller \_\_\_\_\_ Date \_\_\_\_\_

### III. AGENT'S INSPECTION DISCLOSURE

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

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

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

Agent (Broker Representing Seller) Red Oak Realty By \_\_\_\_\_ Date \_\_\_\_\_  
(Please Print) (Associate Licensee or Broker Signature)

*Michele Senitzer*

### IV. AGENT'S INSPECTION DISCLOSURE

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

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

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

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

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

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

Seller \_\_\_\_\_ Date \_\_\_\_\_ Buyer \_\_\_\_\_ Date \_\_\_\_\_

Seller \_\_\_\_\_ Date \_\_\_\_\_ Buyer \_\_\_\_\_ Date \_\_\_\_\_

Agent (Broker Representing Seller) Red Oak Realty By \_\_\_\_\_ Date \_\_\_\_\_  
(Please Print) (Associate Licensee or Broker Signature)

*Michele Senitzer*

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

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

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

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**TDS REVISED 4/14 (PAGE 3 OF 3)**

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

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123 Main

# Residential Earthquake Hazards Report (2005 Edition)

NAME	ASSESSOR'S PARCEL NO
STREET ADDRESS	YEAR BUILT
CITY AND COUNTY	ZIP CODE

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

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

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

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

## EXECUTED BY

(Seller)

(Seller)

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.





## SELLER PROPERTY QUESTIONNAIRE

(C.A.R. Form SPQ, Revised 12/16)

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

I. Seller makes the following disclosures with regard to the real property or manufactured home described as  
123 Main St, Assessor's Parcel No. \_\_\_\_\_,

situated in Oakland, County of Alameda California ("Property").

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

III. Note to Seller: PURPOSE: To tell the Buyer about known material or significant items affecting the value or desirability of the Property and help to eliminate misunderstandings about the condition of the Property.

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

IV. Note to Buyer: PURPOSE: To give you more information about known material or significant items affecting the value or desirability of the Property and help to eliminate misunderstandings about the condition of the Property.

- Something that may be material or significant to you may not be perceived the same way by the Seller.
- If something is important to you, be sure to put your concerns and questions in writing (C.A.R. form BMI).
- Sellers can only disclose what they actually know. Seller may not know about all material or significant items.
- Seller's disclosures are not a substitute for your own investigations, personal judgments or common sense.

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

A. STATUTORILY OR CONTRACTUALLY REQUIRED OR RELATED:

ARE YOU (SELLER) AWARE OF...

1. Within the last 3 years, the death of an occupant of the Property upon the Property . . . . . [ ] Yes [ ] No
2. An Order from a government health official identifying the Property as being contaminated by methamphetamine. (If yes, attach a copy of the Order.) . . . . . [ ] Yes [ ] No
3. The release of an illegal controlled substance on or beneath the Property . . . . . [ ] Yes [ ] No
4. Whether the Property is located in or adjacent to an "industrial use" zone . . . . . [ ] Yes [ ] No  
(In general, a zone or district allowing manufacturing, commercial or airport uses.)
5. Whether the Property is affected by a nuisance created by an "industrial use" zone. . . . . [ ] Yes [ ] No
6. Whether the Property is located within 1 mile of a former federal or state ordnance location. . . . . [ ] Yes [ ] No  
(In general, an area once used for military training purposes that may contain potentially explosive munitions.)
7. Whether the Property is a condominium or located in a planned unit development or other common interest subdivision. . . . . [ ] Yes [ ] No
8. Insurance claims affecting the Property within the past 5 years . . . . . [ ] Yes [ ] No
9. Matters affecting title of the Property . . . . . [ ] Yes [ ] No
10. Material facts or defects affecting the Property not otherwise disclosed to Buyer . . . . . [ ] Yes [ ] No
11. Plumbing fixtures on the Property that are non-compliant plumbing fixtures as defined by Civil Code Section 1101.3 . . . . . [ ] Yes [ ] No

Explanation, or [ ] (if checked) see attached; \_\_\_\_\_

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Buyer's Initials ( ) ( )

Seller's Initials ( ) ( )



Property Address: 123 Main St, Oakland, 94605

Date: \_\_\_\_\_

**B. REPAIRS AND ALTERATIONS:**

**ARE YOU (SELLER) AWARE OF...**

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

Explanation: \_\_\_\_\_

**C. STRUCTURAL, SYSTEMS AND APPLIANCES:**

**ARE YOU (SELLER) AWARE OF...**

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

Explanation: \_\_\_\_\_

**D. DISASTER RELIEF, INSURANCE OR CIVIL SETTLEMENT:**

**ARE YOU (SELLER) AWARE OF...**

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

Explanation: \_\_\_\_\_

**E. WATER-RELATED AND MOLD ISSUES:**

**ARE YOU (SELLER) AWARE OF...**

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

Explanation: \_\_\_\_\_

**F. PETS, ANIMALS AND PESTS:**

**ARE YOU (SELLER) AWARE OF...**

1. Pets on or in the Property ..... [ ] Yes [ ] No
  2. Problems with livestock, wildlife, insects or pests on or in the Property ..... [ ] Yes [ ] No
  3. Past or present odors, urine, feces, discoloration, stains, spots or damage in the Property, due to any of the above ..... [ ] Yes [ ] No
  4. Past or present treatment or eradication of pests or odors, or repair of damage due to any of the above. .... [ ] Yes [ ] No
- If so, when and by whom \_\_\_\_\_

Explanation: \_\_\_\_\_

Buyer's Initials (\_\_\_\_) (\_\_\_\_)

Seller's Initials (\_\_\_\_) (\_\_\_\_)





**G. BOUNDARIES, ACCESS AND PROPERTY USE BY OTHERS:****ARE YOU (SELLER) AWARE OF...**

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

Explanation: \_\_\_\_\_

**H. LANDSCAPING, POOL AND SPA:****ARE YOU (SELLER) AWARE OF...**

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

Explanation: \_\_\_\_\_

**I. CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS AND OTHER SUBDIVISIONS:****ARE YOU (SELLER) AWARE OF...**

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

Explanation: \_\_\_\_\_

**J. TITLE, OWNERSHIP LIENS, AND LEGAL CLAIMS:****ARE YOU (SELLER) AWARE OF...**

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

Explanation: \_\_\_\_\_

**K. NEIGHBORHOOD:****ARE YOU (SELLER) AWARE OF...**

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

Buyer's Initials (\_\_\_\_) (\_\_\_\_)

Seller's Initials (\_\_\_\_) (\_\_\_\_)



Property Address: 123 Main St, Oakland, 94605 Date: \_\_\_\_\_

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

Explanation: \_\_\_\_\_

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

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

Explanation: \_\_\_\_\_

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

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

Explanation: \_\_\_\_\_

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

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

Seller \_\_\_\_\_ Date \_\_\_\_\_  
Seller \_\_\_\_\_ Date \_\_\_\_\_

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

Buyer \_\_\_\_\_ Date \_\_\_\_\_  
Buyer \_\_\_\_\_ Date \_\_\_\_\_

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**SPQ REVISED 12/16 (PAGE 4 OF 4)**

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

**SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 4 OF 4)**

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123 Main



**STATEWIDE BUYER AND SELLER ADVISORY**  
(This Form Does Not Replace Local Condition Disclosures.  
Additional Addenda May Be Attached to This Advisory)  
(C.A.R. Form SBSA, Revised 1/16)

Property Address 123 Main St  
Oakland, 94605

Date \_\_\_\_\_

**BUYER RIGHTS AND DUTIES:**

- The physical condition of the land and improvements being purchased are not guaranteed by Seller or Brokers.
- You should conduct thorough investigations of the Property both personally and with appropriate professionals.
- If professionals recommend further inspections, you should contact qualified experts to conduct such inspections.
- You should retain your own professional even if Seller or Broker has provided you with existing reports.
- You should read all written reports given to you and discuss those reports with the persons who prepared them.
- You have the right to request that the Seller make repairs or corrections or take other actions based on inspections or disclosures, but the Seller is not obligated to make any such repairs, corrections or other requested actions.
- If the Seller is unwilling or unable to satisfy your requests, and you act within certain time periods, you may have the right to cancel the Agreement (the Purchase Agreement and any Counter Offer and Addenda together are the "Agreement"). If you cancel outside of these periods, you may be in breach of the Agreement and your deposit might be at risk.
- The terms of the purchase agreement and any counter offers and addenda establish your rights and responsibilities.

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

**SELLER RIGHTS AND DUTIES:**

- You have a duty to disclose material facts known to you that affect the value or desirability of the Property.
- You are obligated to make the Property available to the Buyer and have utilities on for inspections as allowed by the Agreement.
- This form is not a substitute for completing a Real Estate Transfer Disclosure Statement, if required, and any other property-specific questionnaires or disclosures.
- The terms of the Agreement establish your rights and responsibilities.

**BROKER RIGHTS AND DUTIES:**

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

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

**2. SQUARE FOOTAGE, LOT SIZE, BOUNDARIES AND SURVEYS:** Buyer and Seller are advised that only an appraiser or land surveyor, as applicable, can reliably confirm square footage, lot size, Property corners and exact boundaries of the Property. Representations regarding these items that are made in a Multiple Listing Service, advertisements, and from property tax assessor records are often approximations, or based upon inaccurate or incomplete records. Fences, hedges, walls or other barriers may not represent actual boundary lines. Unless otherwise specified by Broker in writing, Brokers have not verified any such boundary lines or any representations made by Seller or others. Brokers do not have expertise in this area. Standard title insurance does not insure the boundaries of the Property. If Buyer wants information about the exact square footage, lot size or location of Property corners or boundaries, Broker recommends that Buyer hire an appraiser or licensed surveyor to investigate these matters or to prepare a survey of the property during Buyer's inspection contingency period.

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

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

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

**6. EPA's LEAD-BASED PAINT RENOVATION, REPAIR AND PAINTING RULE:** The new rule requires that contractors and maintenance professionals working in pre-1978 housing, child care facilities, and schools with lead-based paint be certified; that their employees be trained; and that they follow protective work practice standards. The rule applies to renovation, repair, or painting activities affecting more than six square feet of lead-based paint in a room or more than 20 square feet of lead-based paint on the exterior. Enforcement of the rule begins October 1, 2010. See the EPA website at [www.epa.gov/lead](http://www.epa.gov/lead) for more information. Buyer and Seller are advised to consult an appropriate professional.

**7. FORMALDEHYDE:** Formaldehyde is a substance known to the State of California to cause cancer. Exposure to formaldehyde may be caused by materials used in the construction of homes. The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde





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

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

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

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

**11. WELL AND WATER SYSTEM(S):** Buyer and Seller are advised that the Property may be served by one or more water wells, springs, or private community or public water systems. Any of these private or public water systems may contain bacteria, chemicals, minerals and metals, such as chromium. Well(s) may have been abandoned on the Property. Buyer is advised to have both the quality and the quantity of water evaluated, and to obtain an analysis of the quality of any domestic and agricultural water in use, or to be used at the Property, from whatever source. Water quality tests can include not only tests for bacteria, such as coliform, but also tests for organic and inorganic chemicals, metals, mineral content and gross alpha testing for radioactivity. Broker recommends that Buyer consult with a licensed,



qualified well and pump company and local government agency to determine whether any well/spring or water system will adequately serve Buyer's intended use and that Buyer have a well consultant perform an extended well output test for this purpose. Water well or spring capacity, quantity output and quality may change at any time. There are no guarantees as to the future water quality, quantity or duration of any well or spring. If Buyer wants further information, Broker(s) recommend that Buyer obtain an inspection of the condition, age, adequacy and performance of all components of the well/spring and any water system during Buyer's inspection contingency period. Brokers do not have expertise in this area.

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

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

**14. EARTHQUAKE FAULT ZONES AND SEISMIC HAZARD ZONES:** Buyer and Seller are advised that California Public Resources Code Sections 2622 and 2696 require the delineation and mapping of "Earthquake Fault Zones" along known active faults and "Seismic Hazard Zones" in California. Affected cities and counties must regulate certain development projects within these zones. Construction or development on affected properties may be subject to the findings of a geological report prepared by a registered California geologist. Generally, Seller must disclose if the Property is in such a zone and can use a research company to aid in the process. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer make independent inquiries with such research companies or with appropriate government agencies concerning the use and improvement of the Property. Brokers do not have expertise in this area. Buyer is advised that there is a potential for earthquakes and seismic hazards even outside designated zones.

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

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

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

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

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

**20. FUTURE REPAIRS, REPLACEMENTS AND REMODELS:** Buyer and Seller are advised that replacement or repairs of certain systems or rebuilding or remodeling of all or a portion of the Property may trigger requirements that homeowners comply with laws and regulations that either come into effect after Close of Escrow or are not required to be complied with until the replacement, repair, rebuild or remodel has occurred. Permit or code requirements or building standards may change after Close of Escrow, resulting in increasing costs to repair existing features. In particular, changes to state and federal energy efficiency regulations impact the installation, replacement and some repairs of heating and air conditioning units (HVAC). Federal regulations now require manufacturers of HVAC units to produce only units meeting a new higher Seasonal Energy Efficiency Rating (SEER). This will likely impact repairs and replacements of existing HVAC units. State regulations now require that when installing or replacing HVAC units, with some exceptions, duct work must be tested for leaks. Duct work leaking more than 15 percent must be repaired to reduce leaks. The average existing duct work typically leaks 30 percent. More information is available at the California Energy Commission's website <http://www.energy.ca.gov/title24/changeout>. Home warranty policies may not cover such inspections or repairs. The phase out of the use of R-22 Freon will have an impact on repairs and replacement of existing air conditioning units and heat pumps. More information is available from the Environmental Protection Agency at <http://www.epa.gov/ozone/title6/phaseout/22phaseout.html>. New efficiency standards are also in place for water heaters. As a consequence, replacement water heaters will generally be larger than existing units and may not fit in the existing space. Additional venting and other modifications may be required as well. More information is available from the U.S. Department of Energy at [http://www1.eere.energy.gov/buildings/appliance\\_standards/product.aspx/productid/27](http://www1.eere.energy.gov/buildings/appliance_standards/product.aspx/productid/27). If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

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

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



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

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

**25. SWIMMING POOL, SECURITY AND SAFETY:** Buyer and Seller are advised that state and local Law may require the installation of barriers, anti-entrapment grates, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property may not be in compliance with these requirements. Brokers do not have expertise in this area. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions and other requirements.

**26. RETROFIT, BUILDING REQUIREMENTS, AND POINT OF SALE REQUIREMENTS:** Buyer and Seller are advised that state and local Law may require (i) the installation of operable smoke detectors, (ii) bracing or strapping of water heaters, and (iii) upon sale completion of a corresponding written statement of compliance that is delivered to Buyer. Although not a point of sale or retrofit obligation, state law may require the property to have operable carbon monoxide detection devices. Additionally, some city and county governments may impose additional retrofit standards at time of sale including, but not limited to, installing low-flow toilets and showerheads, gas shut-off valves, and tempered glass. Brokers do not have expertise in this area. Broker(s) recommend that Buyer and Seller consult with the appropriate government agencies, inspectors, and other professionals to determine the retrofit standards for the Property, the extent to which the Property complies with such standards, and the costs, if any, of compliance.

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

**28. NEIGHBORHOOD, AREA, PERSONAL FACTORS, HIGH SPEED RAILS, AND SMOKING RESTRICTIONS:** Buyer and Seller are advised that the following may affect the Property or Buyer's intended use of it: neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to medical marijuana growing or distribution locations, cell phone towers, manufacturing, commercial, industrial, airport or agricultural activities or military ordnance locations, existing and proposed transportation, construction, and development, any other source that may affect noise, view, traffic, or odor, wild and domestic animals, susceptibility to tsunami and adequacy of tsunami warnings, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally-protected sites or improvements, cemeteries, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer. California is potentially moving toward high speed rail service between Northern and Southern California. This rail line could have an impact on the Property if it is located nearby. More information on the timing of the project and routes is available from the California High-Speed Rail Authority at <http://cahighspeedrail.ca.gov>. The State of California has long-standing no smoking laws in place restricting smoking in most business and some public spaces. Local jurisdictions may enact laws that are more restrictive than state law. Many California cities have enacted restrictions on smoking in parks, public sidewalks, beaches and shopping areas. Some jurisdictions have restrictions entirely banning smoking inside privately owned apartments and condominiums as well as in the common areas of such structures, or limiting smoking to certain designated areas. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions.





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

**30. MARIJUANA AND METHAMPHETAMINE LABS:** Buyer and Seller are advised that California law permits individual patients to cultivate, possess and use marijuana for medical purposes. Furthermore, California law permits primary caregivers, lawfully organized cooperatives, and collectives to cultivate, distribute and possess marijuana for medicinal purposes. California's medical marijuana law is in direct conflict with federal law which recognizes no lawful use for marijuana and has no exemptions for medical use. Federal criminal penalties, some of which mandate prison time, remain in effect for the possession, cultivation and distribution of marijuana. Buyer and Seller are strongly advised to seek legal counsel as to the legal risks and issues surrounding owning or purchasing a property where medical or any other marijuana activity is taking place. Marijuana storage, cultivation and processing carry the risk of causing mold, fungus or moisture damage to a property, additionally, some properties where marijuana has been cultivated have had alterations to the structure or the electrical system which may not have been done to code or with permits and may affect the safety of the structure or the safe operation of the electrical system. Buyer is strongly advised to retain an environmental hygienist contractor and other appropriate professionals to inspect a property where medical or any other marijuana activity has taken place. Broker recommends that Buyer and Seller involved with a property where there is medical marijuana activity or where it may take place review the California Attorney General's Guidelines for the "Security and Non-Diversion of Marijuana Grown for Medical Use" ([http://ag.ca.gov/cms\\_attachments/press/pdfs/n1601\\_medicalmarijuanaguidelines.pdf](http://ag.ca.gov/cms_attachments/press/pdfs/n1601_medicalmarijuanaguidelines.pdf)) and the U.S. Department of Justice memo regarding marijuana prosecutions at <http://www.justice.gov/opa/documents/medical-marijuana.pdf>. Brokers do not have expertise in this area. While no state law permits the private production of methamphetamine, some properties have been the site of an illegal methamphetamine laboratory. State law imposes an obligation to notify occupants, a ban on occupying the property and clean up requirements when authorities identify a property as being contaminated by methamphetamine. Buyer is advised that a property where methamphetamine has been produced may pose a very serious health risk to occupants. Buyer is strongly advised to retain an environmental hygienist contractor or other appropriate professionals to inspect the property if methamphetamine production is suspected to have taken place. Brokers do not have expertise in this area.

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

**32. OWNER'S TITLE INSURANCE:** The Truth in Lending/RESPA integrated disclosure (TRID) established by the Consumer Financial Protection Bureau (CFPB) requires that lenders must tell borrowers that title insurance is "optional." While obtaining an owner's policy of title insurance may be "optional", it may be a contractual requirement as between Buyer and Seller. Furthermore, California Civil Code § 1057.6 requires that escrows provide the following notice to borrowers:

"IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING."



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

Buyers who decide to opt out of obtaining an owner's title insurance policy are acting against the advice of Brokers as well as the advice provided in the California Civil Code and by the CFPB.

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

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

**35. 1915 IMPROVEMENT BOND MELLO-ROOS COMMUNITY DISTRICT, AND OTHER ASSESSMENT DISTRICTS:** Buyer and Seller are advised that the Property may be subject to an improvement bond assessment under the Improvement Bond Act of 1915, a levy of a special tax pursuant to a Mello-Roos Community Facilities district, and/or a contractual assessment as provided in Section 5898.24 of the Streets And Highways Code or other assessment districts. Seller is generally required to make a good faith effort to obtain a disclosure notice from any local agency collecting such taxes and deliver such notice to Buyers. Brokers do not have expertise in this area.

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

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

**38. HOMEOWNER ASSOCIATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS (“CC&Rs”); CHARGING STATIONS; FHA/VA APPROVAL:** Buyer and Seller are advised that if the Property is a condominium, or located in a planned unit development, or in a common interest subdivision, there are typically restrictions on use of the Property and rules that must be followed. Restrictions and rules are commonly found in Declarations and other governing documents. Further there is likely to be a homeowner association (HOA) that has the authority to affect the Property and its use. Whether or not there is a HOA, the Property may still be subject to CC&Rs restricting use of the Property. The HOA typically has the authority to enforce the rules of the association, assess monetary payments (both regular monthly dues and special assessments) to provide for the upkeep and maintenance of the common areas, and enforce the rules and assessment obligations. If you fail to abide by the rules or pay monies owed to the HOA, the HOA may put a lien against your Property. Additionally, if an electric vehicle charging station is installed in a common area or an exclusive use common area, each Seller whose parking space is on or near that charging station must disclose its existence and that the Buyer will have the responsibilities set forth in California Civil Code §4745.



The law requires the Seller to provide the Buyer with the CC&Rs and other governing documents, as well as a copy of the HOA's current financial statement and operating budget, among other documents. Effective July 1, 2016, a Common Interest Development (CID) will be required to include in its annual budget report a separate statement describing the status of the CID as a Federal Housing Administration or Department of Veterans Affairs approved Development. While the purchase agreement and the law require that the annual budget be provided by Seller to Buyer, Brokers will not and cannot verify the accuracy of information provided by the CID. Buyer is advised to carefully review all HOA documents provided by Seller and the CC&Rs, if any, and satisfy him/herself regarding the use and restrictions of the Property, the amount of monthly dues and/or assessments, the adequacy of reserves, current and past insurance coverage and claims, and the possibility of any legal action that may be taken by or against the HOA. The HOA may not have insurance or may not cover personal property belonging to the owner of the unit in the condominium, common interest or planned unit development. For more information Buyer may request from Broker the C.A.R. Legal Q&A titled: "Homeowners' Associations: A Guide for REALTORS®". Brokers do not have expertise in this area.

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

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

**41. GENERAL RECALL/DEFECTIVE PRODUCT/CLASS ACTION INFORMATION:** Buyer and Seller are advised that government entities and manufacturers may at any time issue recall notices and/or warnings about products that may be present in the Property, and that these notices or warnings can change. The following nonexclusive, non-exhaustive list contains examples of recalled/defective products/class action information: horizontal furnaces, Whirlpool Microwave Hood Combination; RE-ConBuilding products roof tiles; Central Sprinkler Company Fire Sprinklers; Robert Shaw Water Heater Gas Control Valves; Trex Decking; water heaters; aluminum wiring; galvanized, abs, polybutylene and copper pipe; and dry wall manufactured in China. There is no single, all-inclusive source of information on product recalls, defective products or class actions; however, the U.S. Consumer Product Safety Commission (CPSC) maintains a website that contains useful information. If Buyer wants further information regarding the items listed above, Broker(s) recommend that Buyer review the CPSC website at <http://www.cpsc.gov> during Buyer's inspection contingency period. Another source affiliated with the CPSC is [Saferproducts.gov](http://www.saferproducts.gov) which allows a Buyer to search by product type or product name. Buyers may also search using the various search engines on the Internet for the specified product or products in question. Brokers recommend that Buyers satisfy themselves regarding recalled or defective products. Brokers do not have expertise in this area and Brokers will not determine if any aspect of the Property is subject to a recall or is affected by a class action lawsuit.

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

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

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





**45. INTERNET ADVERTISING; INTERNET BLOGS; SOCIAL MEDIA:** Buyer and Seller are advised that Broker may employ a service to provide a "virtual tour" or Internet marketing of the Property, permitting potential buyers to view the Property over the Internet. Neither the service provider nor Brokers have control over who will obtain access to such services or what action such persons might take. Additionally, some Internet sites and other social media provide formats for comments or opinions of value of properties that are for sale. Information on the Property, or its owner, neighborhood, or any homeowner association having governance over the Property may be found on the internet on individual or commercial web sites, blogs, Facebook pages, or other social media. Any such information may be accurate, speculative, truthful or lies. Broker will not investigate any such sites, blogs, social media or other internet sites or the representations contained therein. Buyer is advised to make an independent search of electronic media and online sources prior to removing any investigation contingency. Buyer and Seller are advised that Brokers have no control over how long the information concerning the Property will be available on the Internet or through social media. Brokers do not have expertise in this area.

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

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

**48. NOTICE OF YOUR "SUPPLEMENTAL" PROPERTY TAX BILL:** Buyer and Seller are advised that pursuant to Civil Code § 1102.6(c), Seller, or his or her agent, is required to provide the following "Notice of Your 'Supplemental' Property Tax Bill" to the Buyer:

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

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

Although the notice refers to loan closing as a trigger, it is actually the change of ownership which triggers this reassessment of property taxes. Therefore, the Property can be reassessed even if there is no loan involved in the purchase of the Property. The Purchase Agreement may allocate supplemental tax bills received after the Close of Escrow to the Buyer. If Buyer wants further information concerning these matters, Broker(s) recommend that Buyer discuss the issue with the County Assessor or Tax Collector or their own tax or legal advisor. Brokers do not have expertise in this area.

**49. NON CONFIDENTIALITY OF OFFERS:** Buyer is advised that Seller or Listing Agent may disclose the existence, terms, or conditions of Buyer's offer, unless all parties and their agent have signed a written confidentiality agreement (such as C.A.R. Form CND). Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the Listing Agent's marketing strategy and the instructions of the Seller.

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



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

**52. MEDIATION:** Buyer and Seller are advised that mediation is a process by which the parties hire a neutral person to facilitate discussion and negotiation between the parties with the goal of helping them reach a settlement of their dispute. The parties generally share in the cost of this confidential, non-binding negotiation. If no agreement is reached, either party can pursue further legal action. Under C.A.R. Form RPA-CA: (i) the parties must mediate any dispute arising out of their agreement (with a few limited exceptions, such as matters within the jurisdiction of a small claims court) before they resort to arbitration or court, and (ii) if a party proceeds to arbitration or court without having first attempted to mediate the dispute, that party risks losing the right to recover attorney fees and costs even if he or she prevails.

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

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

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

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

Property Address: **123 Main St, Oakland, 94605**

Date: \_\_\_\_\_

**57. LOCAL ADDENDA (IF CHECKED):**

The following local disclosures or addenda are attached:

- A. ☐ \_\_\_\_\_  
B. ☐ \_\_\_\_\_  
C. ☐ \_\_\_\_\_  
D. ☐ \_\_\_\_\_

Buyer and Seller acknowledge and agree that Brokers: (i) do not decide what price Buyer should pay or Seller should accept; (ii) do not guarantee the condition of the Property; (iii) do not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) do not have any 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 Brokers; (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.

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

BUYER \_\_\_\_\_ Date \_\_\_\_\_

BUYER \_\_\_\_\_ Date \_\_\_\_\_

(Address) \_\_\_\_\_

SELLER \_\_\_\_\_ Date \_\_\_\_\_

SELLER \_\_\_\_\_ Date \_\_\_\_\_

(Address) \_\_\_\_\_

Real Estate Broker (Selling Firm) \_\_\_\_\_ Cal BRE Lic. # \_\_\_\_\_

By \_\_\_\_\_ Cal BRE Lic.# \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

Real Estate Broker (Listing Firm) **Red Oak Realty** Cal BRE Lic. # **00619098**

By \_\_\_\_\_ Cal BRE Lic.# **01910603** Date \_\_\_\_\_

**Michele Senitzer**

Address **6450 Moraga Ave.** City **Oakland** State **CA** Zip **94611**

Telephone **(510)283-1990** Fax \_\_\_\_\_ Email **michelesenitzer@gmail.com**

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

**SBSA REVISED 1/16 (PAGE 12 OF 12)**

**STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 12 OF 12)**

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)



123 Main



Property Address 123 Main St, Oakland, 94605

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

[illegible]

☐ Buyer waives the right to conduct a final inspection.

Date \_\_\_\_\_ Buyer \_\_\_\_\_

Date \_\_\_\_\_ Buyer \_\_\_\_\_

Date	Seller
------	--------

[illegible]

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



**VERIFICATION OF PROPERTY CONDITION (VP PAGE 1 OF 1)**

**RED OAK REALTY**  
**WATER-CONSERVING PLUMBING FIXTURE**  
**DISCLOSURE AND ADVISORY FOR SELLERS AND BUYERS**

**Water-Conserving Plumbing Fixtures**

Existing law calls for installation of water-conserving plumbing fixtures when the existing plumbing fixtures are “noncompliant” by certain dates, as discussed here. A **noncompliant plumbing fixture** means: (1) any toilet manufactured to use more than 1.6 gallons of water per flush; (2) any urinal manufactured to use more than one gallon of water per flush; (3) any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute; and (4) any interior faucet that emits more than 2.2 gallons of water per minute. There are various dates for compliance:

**SINGLE-FAMILY RESIDENCES:** Under this law, a condo, even a single condo occupied by only one family, is not a single-family residential property. **Until December 31, 2016**, if a single-family residence is altered or improved, the installation of such fixtures must be a condition of final permit approval. However, **after January 1, 2017, all single-family residences built prior to January 1, 1994 must comply with this law by replacing all noncompliant plumbing fixtures whether or not the property is being remodeled or sold.**

**Commencing January 1, 2017, sellers will need to disclose to buyers (in either the Seller Property Questionnaire (SPQ), Exempt Seller Disclosure (ESD) form or other disclosure form), if sellers are aware of whether the property has any noncompliant plumbing fixtures.**

**If a seller answers “No” to that question, buyers should not assume that the property is fully compliant since the “No” response may merely mean that seller is unaware or is uncertain as to whether or not any such fixtures are noncompliant. For this reason, as a part of their property inspection of properties subject to this law, buyers are urged to have all plumbing fixtures inspected by a qualified professional to determine whether all plumbing fixtures are actually compliant with this law.**

**MULTI-FAMILY AND COMMERCIAL PROPERTIES: Until December 31, 2018:** As a condition of final permit approval, owners must replace all plumbing fixtures with water-conserving fixtures if (1) permits are obtained to increase the floor area by more than 10%; (2) building alterations or improvements exceed \$150,000 in costs; or (3) permits are obtained for a room with plumbing fixtures. **After January 1, 2019:** All multi-family and commercial properties must comply with this law by replacing all noncompliant plumbing fixtures. Also, starting on that date, sellers will need to disclose to the prospective buyer if seller is aware whether the property has any noncompliant plumbing fixtures.

**There is no requirement in the law for sellers to install these fixtures as a part of the sale.**

SELLER: \_\_\_\_\_ Date: \_\_\_\_\_, 201\_\_

SELLER: \_\_\_\_\_ Date: \_\_\_\_\_, 201\_\_

BUYER: \_\_\_\_\_ Date: \_\_\_\_\_, 201\_\_

BUYER: \_\_\_\_\_ Date: \_\_\_\_\_, 201\_\_





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

Property Address: 123 Main St, Oakland, 94605

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

**WATER HEATER STATEMENT OF COMPLIANCE**

- 1. STATE LAW:** California Law requires that all new and replacement water heaters and existing residential water heaters be braced, anchored or strapped to resist falling or horizontal displacement due to earthquake motion. "Water heater" means any standard water heater with a capacity of no more than 120 gallons for which a pre-engineered strapping kit is readily available. (Health and Safety Code §19211d). Although not specifically stated, the statute requiring a statement of compliance does not appear to apply to a properly installed and bolted tankless water heater for the following reasons: There is no tank that can overturn; Pre-engineered strapping kits for such devices are not readily available; and Bolting already exists that would help avoid displacement or breakage in the event of an earthquake.
- 2. LOCAL REQUIREMENTS:** Some local ordinances impose more stringent water heater bracing, anchoring or strapping requirements than does California Law. Therefore, it is important to check with local city or county building and safety departments regarding the applicable water heater bracing, anchoring or strapping requirements for your property.
- 3. TRANSFEROR'S WRITTEN STATEMENT:** California Health and Safety Code §19211 requires the seller of any real property containing a water heater to certify, in writing, that the seller is in compliance with California State Law. If the Property is a manufactured or mobile home, Seller shall also file a required Statement with the Department of Housing and Community Development.
- 4. CERTIFICATION:** Seller represents that the Property, as of the Close Of Escrow, will be in compliance with Health and Safety Code §19211 by having the water heater(s) braced, anchored or strapped in place, in accordance with those requirements.

Seller/Landlord \_\_\_\_\_ Date \_\_\_\_\_  
(Signature) (Print Name)

Seller/Landlord \_\_\_\_\_ Date \_\_\_\_\_  
(Signature) (Print Name)

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

Buyer/Tenant \_\_\_\_\_ Date \_\_\_\_\_  
(Signature) (Print Name)

Buyer/Tenant \_\_\_\_\_ Date \_\_\_\_\_  
(Signature) (Print Name)

**SMOKE DETECTOR STATEMENT OF COMPLIANCE**

- 1. STATE LAW:** California Law requires that (i) every single-family dwelling and factory built housing unit sold on or after January 1, 1986, must have an operable smoke detector, approved and listed by the State Fire Marshal, installed in accordance with the State Fire Marshal's regulations (Health and Safety Code §13113.8) and (ii) all used manufactured or mobilehomes have an operable smoke detector in each sleeping room.
- 2. LOCAL REQUIREMENTS:** Some local ordinances impose more stringent smoke detector requirements than does California Law. Therefore, it is important to check with local city or county building and safety departments regarding the applicable smoke detector requirements for your property.
- 3. TRANSFEROR'S WRITTEN STATEMENT:** California Health and Safety Code §13113.8(b) requires every transferor of any real property containing a single-family dwelling, whether the transfer is made by sale, exchange, or real property sales contract (installment sales contract), to deliver to the transferee a written statement indicating that the transferor is in compliance with California State Law concerning smoke detectors. If the Property is a manufactured or mobile home, Seller shall also file a required Statement with the Department of Housing and Community Development (HCD).
- 4. EXCEPTIONS:** Generally, a written statement of smoke detector compliance is not required for transactions for which the Seller is exempt from providing a transfer disclosure statement.
- 5. CERTIFICATION:** Seller represents that the Property, as of the Close Of Escrow, will be in compliance with the law by having operable smoke detector(s) (i) approved and listed by the State Fire Marshal installed in accordance with the State Fire Marshal's regulations Health and Safety Code §13113.8 or (ii) in compliance with Manufactured Housing Construction and Safety Act (Health and Safety Code §18029.6) located in each sleeping room for used manufactured or mobilehomes as required by HCD and (iii) in accordance with applicable local ordinance(s).

Seller/Landlord \_\_\_\_\_ Date \_\_\_\_\_  
(Signature) (Print Name)

Seller/Landlord \_\_\_\_\_ Date \_\_\_\_\_  
(Signature) (Print Name)

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

Buyer/Tenant \_\_\_\_\_ Date \_\_\_\_\_  
(Signature) (Print Name)

Buyer/Tenant \_\_\_\_\_ Date \_\_\_\_\_  
(Signature) (Print Name)

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



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

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123 Main



## WIRE FRAUD ADVISORY

(C.A.R. Form WFA, 6/16)

Property Address: 123 Main St, Oakland, 94605 ("Property").

### **WIRE FRAUD ADVISORY:**

The ability to communicate and conduct business electronically is a convenience and reality in nearly all parts of our lives. At the same time, it has provided hackers and scammers new opportunities for their criminal activity. Many businesses have been victimized and the real estate business is no exception.

While wiring funds is a welcome convenience, buyers and sellers need to exercise extreme caution. Emails attempting to induce fraudulent wire transfers have been received and have appeared to be legitimate. Reports indicate that some hackers have been able to intercept emailed wire transfer instructions, obtain account information and, by altering some of the data, redirect the funds to a different account. It also appears that some hackers were able to provide false phone numbers for verifying the wiring instructions. In those cases, the buyers called the number provided, to confirm the instructions, and then unwittingly authorized a transfer to somewhere other than escrow. Sellers have also had their sales proceeds taken through similar schemes.

### **ACCORDINGLY, BUYERS AND SELLERS ARE ADVISED:**

1. Obtain the phone number of the Escrow Officer at the beginning of the transaction.
2. **DO NOT EVER WIRE FUNDS PRIOR TO CALLING YOUR ESCROW OFFICER TO CONFIRM WIRE INSTRUCTIONS. ONLY USE A PHONE NUMBER YOU WERE PROVIDED PREVIOUSLY. Do not use any different phone number included in the emailed wire transfer instructions.**
3. Orally confirm the wire transfer instruction is legitimate and confirm the bank routing number, account numbers and other codes before taking steps to transfer the funds.
4. Avoid sending personal information in emails or texts. Provide such information in person or over the telephone directly to the Escrow Officer.
5. Take steps to secure the system you are using with your email account. These steps include creating strong passwords, using secure WiFi, and not using free services.

If you believe you have received questionable or suspicious wire instructions, immediately notify your bank, the Escrow Holder and your real estate agent. The sources below, as well as others, can also provide information:

Federal Bureau of Investigation: <https://www.fbi.gov/>

National White Collar Crime Center: <http://www.nw3c.org/>

On Guard Online: <https://www.onguardonline.gov/>

**By signing below, the undersigned acknowledge that each has read, understands and has received a copy of this Wire Fraud Advisory.**

Buyer	_____	Date	_____
Buyer	_____	Date	_____
Seller	_____	Date	_____
Seller	_____	Date	_____

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**WIRE FRAUD ADVISORY (WFA PAGE 1 OF 1)**

