



CALIFORNIA
ASSOCIATION
OF REALTORS®

REAL ESTATE TRANSFER DISCLOSURE STATEMENT
(CALIFORNIA CIVIL CODE §1102, ET SEQ)
(C.A.R. Form TDS, Revised 10/03)

THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF Santa Cruz, COUNTY OF Santa Cruz, STATE OF CALIFORNIA,
DESCRIBED AS 135 Molina Drive, Santa Cruz CA 95060

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) 6/20/2010. IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.

I. COORDINATION WITH OTHER DISCLOSURE FORMS

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

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

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

II. SELLER'S INFORMATION

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

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

Seller ☒ is ☐ is not occupying the property.

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

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Range | <input checked="" type="checkbox"/> Oven (Double) | <input type="checkbox"/> Microwave |
| <input checked="" type="checkbox"/> Dishwasher | <input type="checkbox"/> Trash Compactor | <input checked="" type="checkbox"/> Garbage Disposal |
| <input checked="" type="checkbox"/> Washer/Dryer Hookups | <input checked="" type="checkbox"/> Smoke Detector(s) | <input checked="" type="checkbox"/> Rain Gutters |
| <input checked="" type="checkbox"/> Burglar Alarms (not working) | <input type="checkbox"/> Satellite Dish | <input type="checkbox"/> Fire Alarm |
| <input type="checkbox"/> T.V. Antenna | <input checked="" type="checkbox"/> Central Air Conditioning | <input type="checkbox"/> Intercom |
| <input checked="" type="checkbox"/> Central Heating ~ Multi-Zone | <input checked="" type="checkbox"/> Sprinklers | <input type="checkbox"/> Evaporator Cooler(s) |
| <input type="checkbox"/> Wall/Window Air Conditioning | <input type="checkbox"/> Sump Pump | <input type="checkbox"/> Public Sewer System |
| <input checked="" type="checkbox"/> Septic Tank | <input type="checkbox"/> Built-in Barbecue | <input checked="" type="checkbox"/> Water Softener |
| <input checked="" type="checkbox"/> Patio/Decking | | <input type="checkbox"/> Gazebo |
| <input type="checkbox"/> Sauna | | |
| <input type="checkbox"/> Hot Tub <input type="checkbox"/> Locking Safety Cover* | <input type="checkbox"/> Pool <input type="checkbox"/> Child Resistant Barrier* | <input type="checkbox"/> Spa <input type="checkbox"/> Locking Safety Cover* |
| <input checked="" type="checkbox"/> Security Gate(s) | <input checked="" type="checkbox"/> Automatic Garage Door Opener(s)* | <input type="checkbox"/> Number Remote Controls _____ |
| Garage: <input type="checkbox"/> Attached | <input checked="" type="checkbox"/> Not Attached | <input type="checkbox"/> Carport |
| Pool/Spa Heater: <input type="checkbox"/> Gas | <input type="checkbox"/> Solar | <input type="checkbox"/> Electric |
| Water Heater: <input checked="" type="checkbox"/> Gas (Constant Flow) N/A | <input type="checkbox"/> Water Heater Anchored, Braced, or Strapped* | |
| Water Supply: <input type="checkbox"/> City | <input checked="" type="checkbox"/> Well | <input type="checkbox"/> Private Utility or |
| Gas Supply: <input type="checkbox"/> Utility | <input type="checkbox"/> Bottled | Other _____ |
| <input checked="" type="checkbox"/> Window Screens | <input type="checkbox"/> Window Security Bars <input type="checkbox"/> Quick Release Mechanism on Bedroom Windows* | |
| Exhaust Fan(s) in <u>All bathrooms</u> | 220 Volt Wiring in <u>Garage, utility rm, well</u> | Fireplace(s) in <u>Living Rm, Master BR</u> (approx.) |
| <input type="checkbox"/> Gas Starter _____ | <input checked="" type="checkbox"/> Roof(s): Type: <u>composition</u> | Age: <u>~12 yrs</u> |
| <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): Alarm needs to be repaired.

(*see footnote on page 2)

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TDS REVISED 10/03 (PAGE 1 OF 3)

Buyer's Initials () ()
Seller's Initials (YDD) (SKS)

Reviewed by _____ Date _____



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

Agent: Frank Murphy Phone: 831.457.5550 Fax: 831.401.2425 Prepared using zipForm® software
Broker: Keller Williams Realty - SC 1414 Soquel Ave Ste 100 Santa Cruz, CA 95062

Property Address: 135 Molina Drive, Santa Cruz, CA 95060

Date: 6/20/10

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): _____

*This garage door opener or child resistant pool barrier may not be in compliance with the safety standards relating to automatic reversing devices as set forth in Chapter 12.5 (commencing with Section 19890) of Part 3 of Division 13 of, or with the pool safety standards of Article 2.5 (commencing with Section 115920) of Chapter 5 of Part 10 of Division 104 of, the Health and Safety Code. The water heater may not be anchored, braced, or strapped in accordance with Section 19211 of the Health and Safety Code. Window security bars may not have quick release mechanisms in compliance with the 1995 Edition of the California Building Standards Code.

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, including any lawsuits 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): _____

3. At the top of the "flag-pole" (driveway) a small triangle shape is over the neighboring property line (see attached map). It measures 7'8" x 6'2" by 11", is marked with a property marker (shiver), and is necessary to allow the turn in the driveway.

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 X David Lloyd
David Lloyd

Date 6/20/10

Seller X Linda Lloyd
Linda Lloyd

Date 6/20/10

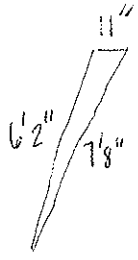
Buyer's Initials (_____) (_____)

Reviewed by _____ Date _____



Driveway/Fence crosses onto property at 131 Molina Dr
 where circled, like so: Property line —————
 Fence - - - - -

Property line

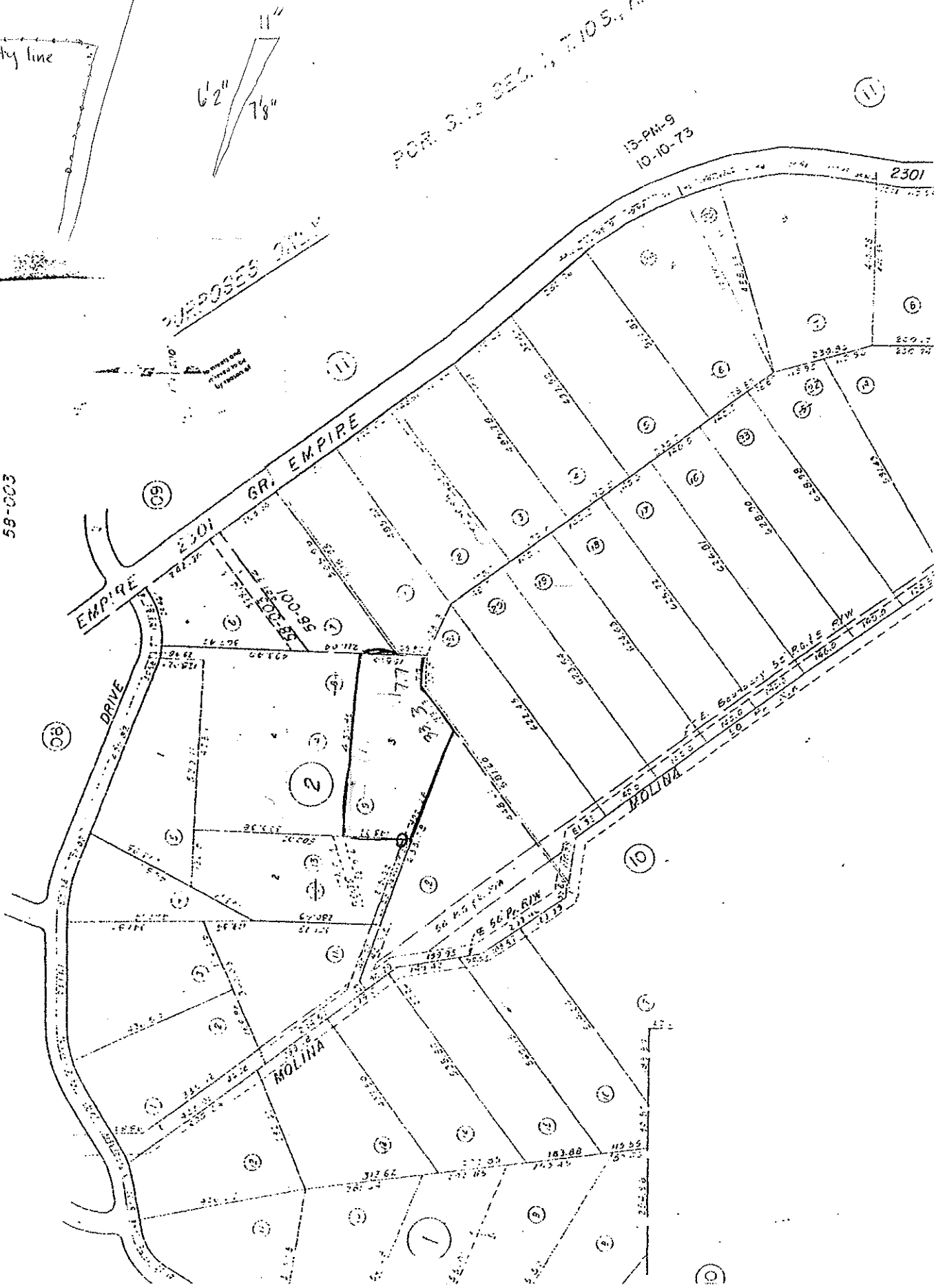


PCR 5.12 SEC. 1, T.10S., R.3E., S.1W.
 13-PM-9
 10-10-73

80-31

Tax Area Code
 56-001
 58-003

PCR 5. 1/2 SEC. 1, T.10S., R.3E., S.1W.





SELLER PROPERTY QUESTIONNAIRE

(C.A.R. Form SPQ, Revised 11/09)

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 or when no TDS is required.

I. Seller makes the following disclosures with regard to the real property or manufactured home described as
135 Molina Drive, Assessor's Parcel No. _____,
situated in Santa Cruz, County of Santa Cruz, California, ("Property").

II. The following are representations made by the 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 desire 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.

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." Provide explanations to 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

Explanation, or ☐ (if checked) see attached; _____

B. REPAIRS AND ALTERATIONS:

ARE YOU (SELLER) AWARE OF...

1. Any alterations, modifications, remodeling, replacements or material repairs on the Property (including those resulting from Home Warranty claims) ☒ Yes ☐ No
2. Ongoing or recurring maintenance on the Property (for example, drain or sewer clean-out, tree or pest control service) ☒ Yes ☐ No
3. Any part of the Property being painted within the past 12 months. ☒ Yes ☐ No

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SPQ REVISED 11/09 (PAGE 1 OF 4)

Buyer's Initials () ()

Seller's Initials (XAD) (X ELS)

Reviewed by _____ Date _____



SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 1 OF 4)

Agent: Frank Murphy Phone: 831.457.5550 Fax: 831.401.2425 Prepared using zipForm® software
Broker: Keller Williams Realty - SC 1414 Soquel Ave Ste 100 Santa Cruz, CA 95062

135 Molina Drive
Property Address: Santa Cruz, CA 95060

Date: 6/20/10

Explanation: 1. Entire house re-plumbed ~ 6/2007. New copper pipe installed by Geoff Wilson Co. New decks - 6/2010.
2. Terminix - 60 day schedule for ant/termite prevention - 2+ years.
3. All interior downstairs, All exterior.

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

Explanation: 1. All new plumbing installed ~ 2007.

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
2. Any problem with or infestation of mold, mildew, fungus or spores, past or present, on or affecting the Property
3. Rivers, streams, flood channels, underground springs, high water table, floods, or tides, on or affecting the Property or neighborhood

☐ Yes ☒ No

☐ Yes ☒ No

☐ Yes ☒ No

Explanation:

F. PETS, ANIMALS AND PESTS:

ARE YOU (SELLER) AWARE OF...

1. Pets on or in the Property
2. Problems with livestock, wildlife, insects or pests on or in the Property
3. Past or present odors, urine, feces, discoloration, stains, spots or damage in the Property, due to any of the above
4. Past or present treatment or eradication of pests or odors, or repair of damage due to any of the above

☒ Yes ☐ No

☐ Yes ☒ No

☐ Yes ☒ No

☐ Yes ☒ No

If so, when and by whom

Explanation: We have two dogs and three cats.

G. BOUNDARIES, ACCESS AND PROPERTY USE BY OTHERS:

ARE YOU (SELLER) AWARE OF...

1. Surveys, easements, encroachments or boundary disputes
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
3. Use of any neighboring property by you

☐ Yes ☒ No

☒ Yes ☐ No

☐ Yes ☐ No

Explanation: 2. PG&E has an easement for power lines at the end of the driveway.
3. We have a right of way over neighboring property for our driveway - bottom edge only, same size as PG&E easement (check property description for details).

Buyer's Initials () ()
Seller's Initials (X) (X)

Reviewed by Date



135 Molina Drive
Property Address: Santa Cruz, CA 95060

Date: 6/20/10

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. An operational pool heater on the Property ☐ Yes ☐ No
4. An operational spa heater on the Property ☐ 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. COMMON INTEREST CONDOMINIUMS AND DEVELOPMENTS:

ARE YOU (SELLER) AWARE OF...

1. Any pending or proposed dues increases, special assessments, rules changes, insurance availability issues or litigation by or against the Homeowner Association affecting the Property ☐ Yes ☐ No

Explanation: N/A

J. TITLE, OWNERSHIP 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, 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

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, 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, 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 apply to or could affect the Property ☐ Yes ☒ No
2. Existence or pendency of any rent control, occupancy 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

Buyer's Initials () ()
Seller's Initials (X D L) (X A B)

Reviewed by _____ Date _____



135 Molina Drive
Property Address: Santa Cruz, CA 95060

Date: 6/20/2010

- 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

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 ☐ Yes ☐ No
(If yes, provide any such documents in your possession to Buyer.)
2. 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: HOME inspection not yet completed. That report and if
necessary, any disclosures will be reported at that time.

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 ☒ David Lloyd Date 6/20/2010
Seller ☒ Linda Lloyd Date 6/20/2010

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 _____

THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.
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REAL ESTATE BUSINESS SERVICES, INC.
a subsidiary of the CALIFORNIA ASSOCIATION OF REALTORS®
525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____ Date _____



Residential Earthquake Hazards Report

(See the back of this form for applicable government codes.)

NAME David Lloyd Linda Lloyd		ASSESSOR'S PARCEL NO. 080-315-09
STREET ADDRESS 135 Molina Drive		YEAR BUILT 1982
CITY AND COUNTY Santa Cruz CA		ZIP CODE 95060

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 checked="" type="checkbox"/>	<input type="checkbox"/>	3
2. Is the house anchored or bolted to the foundation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4
3. If the house has cripple walls:					
• Are the exterior cripple walls braced?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	5
• If the exterior foundation consists of unconnected concrete piers and posts, have they been strengthened?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6
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 checked="" type="checkbox"/>	<input type="checkbox"/>	7
5. If the house is built on a hillside:					
• Are the exterior tall foundation walls braced?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8
• Were the tall posts or columns either built to resist earthquakes or have they been strengthened?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8
6. If the exterior walls of the house, or part of them, are made of unreinforced masonry, have they been strengthened?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9
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 checked="" type="checkbox"/>	10
8. Is the house outside an Alquist-Priolo Earthquake Fault Zone (zones immediately surrounding known earthquake faults)?	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>	19
9. Is the house outside a Seismic Hazard Zone (zone identified as susceptible to liquefaction or landsliding)?	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>	19

Keep your copy of this form for future reference

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

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

EXECUTED BY


(Seller) **David Lloyd**


(Seller) **Linda Lloyd**

6/20/2010
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.



BUYER AND SELLER INSURANCE ADVISORY

Property: **135 Molina Drive**

Santa Cruz

95060

BUYER ADVISORY RE HOMEOWNERS' INSURANCE COVERAGE

The availability of homeowners' insurance (i.e., policies of insurance providing fire and other casualty and loss coverage for residential properties) is neither constant nor certain, particularly at insurance premium rates homeowners might ordinarily expect. In many cases, even large, national insurance carriers impose significant restrictions, limitations or preconditions as to insurance policies they are willing to offer a prospective home purchaser; in some instances those carriers may decline to offer any coverage at all. Reasons for this vary, and can include insurance industry concerns relating to the physical condition and attributes of a particular property, the history of claims made against the property, and even generalized concerns over the number and magnitude of claims made statewide for injury and/or loss relating to toxic mold, fire, flood and other conditions and events.

Even the number, magnitude and frequency of insurance claims made by a prospective purchaser (and, occasionally, even the purchaser's credit rating) might be viewed by an insurance carrier as a basis or reason for declining to provide homeowners' coverage.

Buyer is advised that lenders almost always require homeowners' insurance coverage to actually be in place before funding of the home loan. Buyer is further advised of the importance of Buyer's contacting a reputable insurance broker and making full and early inquiry as to the availability of insurance coverage on the subject Property, and as to Buyer as a prospective insured.

SELLER CLAIMS HISTORY QUESTIONNAIRE

Seller responds as indicated to the following insurance-related inquiries:

1. Within the past five years have you, or to your knowledge, has any prior owner, made any claim (or otherwise given an insurance carrier notice of any loss or damage) relating to any plumbing leak or other water release, any water intrusion (including roof, window or siding leak), or other property damage, personal injury, or any other matter, against homeowner's insurance policy (i.e., fire and/or other residential property and personal casualty policy) covering the Property? YES NO (circle one)

If "YES" please identify the following as to each claim (use additional pages, if necessary):

- a) Name of the claimant _____
- b) Insurance company and policy number _____
- c) Approximate date of the claim _____
- d) Nature of the claim, and how resolved, if known _____

2. Within the past five years has, to your knowledge, any insurance company refused to issue to you or renew for you a homeowner's insurance policy covering the Property? YES NO (circle one)

If "YES", please indicate the following (use additional pages in necessary):

- a) Approximate date of such refusal _____
- b) The insurance company involved _____
- c) The basis of the refusal, if known _____

3. Has your lender ever required that you carry flood and/or earthquake insurance on the property? YES NO (circle one)

If "YES" please explain below.

Additional Explanations:

DATE: 6/20/2010

DATE: _____

SELLER: [Signature]

BUYER: _____

SELLER: [Signature]

BUYER: _____



CALIFORNIA
ASSOCIATION
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**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 1/03)

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: _____, 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.

1. SELLER'S OR LANDLORD'S DISCLOSURE — N/A - Home built in 1982.

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.

X _____ Date 6/20/2010
Seller or Landlord David Lloyd

X _____ Date 6/20/2010
Seller or Landlord Linda Lloyd

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FLD REVISED 1/03 (PAGE 1 OF 2)

Buyer's Initials (_____) (_____)

Reviewed by _____ Date _____



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

Agent: Frank Murphy Phone: 831.457.5550 Fax: 831.401.2425 Prepared using zipForm® software
Broker: Keller Williams Realty - SC 1414 Soquel Ave Ste 100 Santa Cruz, CA 95062



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

135 Molina Drive

Property Address: Santa Cruz, CA 95060 ("Property").

BUYER RIGHTS AND DUTIES:

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

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

SELLER RIGHTS AND DUTIES:

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

BROKER RIGHTS AND DUTIES:

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

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

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SBSA REVISED 4/07 (PAGE 1 OF 10)

Buyer's Initials () ()
Seller's Initials (X) (X)

Reviewed by _____ Date _____



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

Agent: Frank Murphy	Phone: 831.457.5550	Fax: 831.401.2425	Prepared using zipForm® software
Broker: Keller Williams Realty - SC 1414 Soquel Ave Ste 100	Santa Cruz	, CA 95062	

135 Molina Drive
Property Address: Santa Cruz, CA 95060

Date: 6/20/2010

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

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

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

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

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

Buyer's Initials () ()
Seller's Initials (X AL) (X JS)

Reviewed by _____ Date _____



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

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

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

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

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

Buyer's Initials () ()
 Seller's Initials (X) (X)

Reviewed by _____ Date _____



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

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

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

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

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

17. FUTURE REPAIRS, REPLACEMENTS AND REMODELS: Buyer and Seller are advised that replacement or repairs of certain systems or remodels of portions of the Property may trigger requirements that homeowners comply with laws and regulations that either come into effect after Close of Escrow or are not required to be complied with until the replacement, repair or remodel has occurred. Permit or code requirements or building standards may change after Close of Escrow, resulting in increasing costs to repair existing features. In particular, changes to state and federal energy efficiency regulations impact the installation, replacement and some repairs of heating and air conditioning units (HVAC). Federal regulations now require manufacturers of HVAC units to produce only units meeting a new higher Seasonal Energy Efficiency Rating (SEER). This will likely impact repairs and replacements of existing HVAC units. State regulations now require that when installing or replacing HVAC units, with some exceptions, duct work must be tested for leaks. Duct work leaking more than 15 percent must be repaired to reduce leaks. The average existing duct work typically leaks 30 percent. More information is available at the California Energy Commission's website <http://www.energy.ca.gov/title24/changeout>. Home warranty policies may not cover such inspections or repairs. If Buyer wants further information Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

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

Buyer's Initials () ()
Seller's Initials (X) (X)

Reviewed by _____ Date _____



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

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

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

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

23. RETROFIT: Buyer and Seller are advised that state and local Law may require the installation of operable smoke detectors, bracing or strapping of water heaters, and completion of a corresponding written statement of compliance that is delivered to Buyer. Some city and county governments may impose additional retrofit standards, including, but not limited to, installing low-flow toilets and showerheads, gas shut-off valves, and tempered glass. Brokers do not have expertise in this area. Broker recommends that Buyer and Seller consult with the appropriate government agencies, inspectors, and other professionals to determine the retrofit standards for the Property, the extent to which the Property complies with such standards, and the costs, if any, of compliance.

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

25. NEIGHBORHOOD, AREA; PERSONAL FACTORS: Buyer and Seller are advised that the following may affect the Property or Buyer's intended use of it: neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to manufacturing, commercial, industrial, airport or agricultural activities or military ordnance locations, existing and proposed transportation, construction, and development, any other source that may affect noise, view, traffic, or odor, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally-protected sites or improvements, cemeteries, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

Buyer's Initials () ()
 Seller's Initials (X) (X)

Reviewed by _____ Date _____



26. INSURANCE: Buyer and Seller are advised that Buyer may have difficulty obtaining insurance regarding the Property if there has been a prior insurance claim affecting the Property or made by Buyer but unrelated to the Property. Seller is required by C.A.R. Form RPA to disclose known insurance claims made during the past five years. Sellers may not be aware of claims prior to their ownership. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer conduct his or her own investigation for past claims. Buyer may need to obtain Seller's consent in order to have access to certain investigation reports. If the Property is a condominium, or is located in a planned unit development or other common interest subdivision, Buyer and Seller are advised to determine if the individual unit is covered by the Homeowner Association Insurance. Broker recommends that Buyer consult Buyer's insurance agents during Buyer's inspection contingency period to determine the need, availability and possibility of securing any and all forms of other insurance or coverage or any conditions imposed by insurer as a requirement of issuing insurance. If Buyer takes possession prior to Close of Escrow or Seller remains in possession after Close of Escrow, whether for a limited or extended period of time, Broker recommends that Buyer and Seller each consult with their own insurance agent regarding insurance or coverage that could protect them in the transaction (including but not limited to: personal property, flood, earthquake, umbrella and renter's). Brokers do not have expertise in this area.

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

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

29. 1915 BOND AND MELLO-ROOS COMMUNITY AND OTHER FACILITIES DISTRICTS: Buyer and Seller are advised that the Property may be subject to an improvement bond assessment under the Improvement Bond Act of 1915 and/or a levy of a special tax pursuant to a Mello-Roos community facilities or other district. Seller is generally required to make a good faith effort to obtain a disclosure notice from any local agency collecting such taxes and deliver such notice to Buyers. Brokers do not have expertise in this area.

30. HOMEOWNER ASSOCIATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS (CC&Rs): Buyer and Seller are advised that if the Property is a condominium, or located in a planned unit development, or in a common interest subdivision there are typically restrictions on use of the Property and rules that must be followed. Restrictions and rules are commonly found in Declarations of Covenants, Conditions and Restrictions (CC&Rs) and other governing documents. Further there is likely to be a homeowner association (HOA) that has the authority to affect the Property and its use. Whether or not there is a HOA, the Property may still be subject to CC&Rs restricting use of the Property. The HOA typically has the authority to enforce the rules of the association, assess monetary payments (both regular monthly dues and special assessments) to provide for the upkeep and maintenance of the common areas, and enforce the rules and assessment obligations. If you fail to abide by the rules or pay monies owed to the HOA, the HOA may put a lien against your Property. The law requires the Seller to provide the Buyer with the CC&Rs and other governing documents, as well as a copy of the HOA's current financial statement and operating budget, among other documents. Buyer is advised to carefully review all HOA documents provided by Seller and the CC&Rs, if any, and satisfy him/herself regarding the use and restrictions of the Property, the amount of monthly dues and/or assessments, the adequacy of reserves, current and past insurance coverage and claims and the possibility of any legal action that may be taken by or against the HOA. The HOA may not have insurance or may not cover personal property belonging to the owner of the unit in the condominium, common interest or planned unit development. See paragraph 26 for further information regarding insurance. Brokers do not have expertise in this area.

31. COMMUNITY ENHANCEMENT AND PRIVATE TRANSFER FEES: Buyer and Seller are advised that some areas or communities may have enhancement fees or user-type fees, or private transfer fees, over and above any stated association fees. Private transfer fees: (A) may last for a fixed period of time or in perpetuity, (B) are typically calculated as a percentage of home's sales price, and (C) may have private parties, charitable organizations or interest-based groups as their recipients. Brokers do not have expertise in this area.

Buyer's Initials () ()
 Seller's Initials (X DL) (X ELG)
 Reviewed by _____ Date _____



32. GENERAL RECALL/DEFECTIVE PRODUCT/CLASS ACTION INFORMATION: Buyer and Seller are advised that government entities and manufacturers may at any time issue recall notices and/or warnings about products that may be present in the Property, and that these notices or warnings can change. There is no single, all-inclusive source of information on product recalls, defective products or class actions; however, the U.S. Consumer Product Safety Commission (CPSC) maintains a website that contains useful information. If Buyer wants further information regarding the items listed below, Broker recommends that Buyer consult the CPSC website at <http://www.cpsc.gov> during Buyer's inspection contingency period. The following are examples of recall/defective products/class action information. The information is not exclusive. If Buyer wants further information, Broker recommends that Buyer contact the sources below. Brokers do not have expertise in this area and will not determine if any aspect of the Property is subject to a recall or is affected by a class action lawsuit. (NOTE: While the information below is believed to be current as of the revision date of this form, phone numbers and web addresses may change or be discontinued.)

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

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

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

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

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

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

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

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

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

Buyer's Initials () ()
Seller's Initials (X 22) (X 848)

Reviewed by _____ Date _____



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

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

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

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

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

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

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

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

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

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

Buyer's Initials () ()
Seller's Initials (X D Z) (X E Y)

Reviewed by _____ Date _____



135 Molina Drive
Property Address: Santa Cruz, CA 95060

Date: 6/20/2008

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

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

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

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

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

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

Buyer's Initials () ()
Seller's Initials (X) (X)

Reviewed by _____ Date _____



135 Molina Drive
Property Address: Santa Cruz, CA 95060

Date: 6/20/10

45. LOCAL ADDENDA (IF CHECKED):

The following local disclosures or addenda are attached:

- A. ☐
B. ☐
C. ☐
D. ☐

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

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

Date _____

Date _____

BUYER _____

BUYER _____

(Print name) _____

(Print name) _____

(Address) _____

(Address) _____

Date 6-20-10

Date 6/20/10

SELLER X David Lloyd

SELLER X Linda Lloyd

David Lloyd

Linda Lloyd

(Print name)

(Print name)

135 Molina Drive, Santa Cruz, CA 95060

(Address)

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

By _____ DRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Listing Firm) Keller Williams Realty DRE Lic. # 01473789

By Frank Murphy DRE Lic. # 01014048 Date _____

Address 1414 Soquel Ave. Suite 100 City Santa Cruz State CA Zip 95062

Telephone (831) 457-5550 Fax (831) 401-2425 E-mail Frank@FrankMurphy.net

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

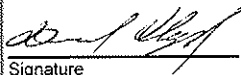

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Reviewed by _____ Date _____



Updated County Ordinance for Water Conservation
Santa Cruz County Code, Chapter 7.69

READ & ACKNOWLEDGED	
 Signature	<u>6/20/10</u> date
 Signature	<u>6/20/10</u> date

Chapter 7.69 INSTALLATION OF WATER CONSERVATION DEVICES

7.69.010 Findings and purpose.

The installation of water-saving low-flow showerheads and ultra-low-flush toilets before the sale of property would result in a substantial conservation of water and energy, and also reduce the burden on septic tank systems and sewer systems; and that such water and energy conservation devices may be installed at a nominal cost. (Ord. 4698 § 2 (part), 1/7/03)

7.69.015 Relationship to other code requirements.

Property located within the water service area of the city of Santa Cruz shall comply with the requirements for the installation of water conservation devices as set forth in Chapter 7.74 of the county code. (Ord. 4698 § 2 (part), 1/7/03)

7.69.020 Definitions.

For purposes of this chapter:

A. "Significant expense" means that the cost for retrofitting any single fixture is estimated to be more than one-half of one percent of the market value of the property subject to transfer.

B. "Water conservation retrofit devices" means for showers a low-flow showerhead which will have a maximum flow rate of not exceeding two and one-half gallons per minute (gpm), and for toilets, an ultra-low-flush toilet not exceeding one and six-tenths gallon per flush (gpf). (Ord. 4781 § 1, 4/5/05; Ord. 4698 § 2 (part), 1/7/03)

7.69.030 Requirements for water conservation retrofit devices.

Commencing March 1, 2003, all sellers of residential, commercial or industrial property using water in showers and toilets shall be required to install water conservation retrofit devices as defined in Section 7.69.020 prior to the recording of any deed transferring title to the property to implement a sale of the property, or prior to the recording of a contract of sale pursuant to Section 2985 of the California Civil Code. (Ord. 4698 § 2 (part), 1/7/03)

7.69.040 Exemptions. A. The requirement for the installation of water conservation retrofit devices on showers shall not apply to any of the following:

1. All structures that include plumbing fixtures on the property changing ownership with evidence documenting that they were constructed or renovated in 1994 or later;
2. Any shower that is fitted with a low-flow showerhead with a maximum flow rate that does not exceed two and one-half gallons per minute;
3. Any emergency shower installed for health or safety purposes that cannot safely operate with a maximum flow rate that does not exceed two and one-half gallons per minute;
4. When the retrofit of a shower fixture to comply with this chapter would require a significant expense;

5. Any shower that will not function properly after being retrofitted in accordance with this chapter.

B. The requirement for the installation of ultra-low-flush toilets shall not apply to any of the following:

1. Any toilet that already uses less than one and six-tenths gallons per flush.
2. When the retrofit of a toilet fixture to comply with this chapter would require a significant expense;
3. Any toilet that will not function properly after being retrofitted in accordance with this chapter.

(Ord. 4781 § 2, 4/5/05; Ord. 4698 § 2 (part), 1/7/03)



ADDENDUM TO REAL ESTATE TRANSFER DISCLOSURE STATEMENT

LOCAL DISCLOSURE REGARDING INSTALLATION OF WATER CONSERVATION DEVICES

This form is to be used when the Seller's property, whether residential, commercial, or industrial, is situated within:

- **unincorporated Santa Cruz County outside of the Santa Cruz City water service area.**

Summary of Ordinance

Authority: Santa Cruz County Code Chapter 7.69

Prior to the recording of any deed transferring title to the property to implement a sale of the property or prior to the recording of a contract of sale, all sellers of residential, commercial, or industrial property shall install water conservation devices that restrict maximum water flow from showerheads to 2.5 gallons per minute and reduce the amount of water used in toilets to 1.6 gallons per flush.

Exemptions

A. The requirement for the installation of water conservation retrofit devices on showers shall not apply to any of the following:

1. All structures that include plumbing fixtures on the property changing ownership with evidence documenting they were constructed or renovated in 1994 or later;
2. Any shower that is fitted with a low-flow showerhead with a maximum flow rate that does not exceed 2.5 gallons per minute;
3. Any emergency shower installed for health or safety purposes that cannot safely operate with a maximum flow rate that does not exceed 2.5 gallons per minute;
4. Any shower requiring significant structural modification to comply with this chapter;
5. Any shower that will not function properly after being retrofitted in accordance with this chapter.

B. The requirement for the installation of ultra low flush toilets shall not apply to any toilet that already uses less than 1.6 gallons per flush.

Certification

Seller must provide Buyer with a written certification of compliance with the requirements of this ordinance stating that the water conservation devices have been installed or that the installation of devices is not required because of the specific exemption(s) allowed under this law.

Failure to Comply

If the Seller fails to comply with the retrofit requirements, the Buyer shall install the low consumption plumbing fixtures within 90 days from the date of sale. Any seller who fails to comply with the requirements of this chapter may be liable to the buyer in the amount of two hundred and fifty dollars (\$250) for each fixture that does not comply with this chapter at the time of sale, or the actual costs of the buyer to comply with this chapter, whichever amounts are greater. Violation of these requirements is also deemed an infraction.

The undersigned hereby acknowledges receipt of a copy of this Addendum

Date _____

Date 6/20/10

Buyer _____

Seller [Signature]

Buyer _____

Seller [Signature]

See reverse for Disclosure regarding Plumbing Fixture Retrofit Regulations for property located in the City of Santa Cruz and area of unincorporated Santa Cruz County served by the Santa Cruz City water system.



SANTA CRUZ COUNTY WATER
CONSERVATION PROGRAM
WATER CONSERVATION CERTIFICATION

1. Assessor's Parcel Number (APN) 080-315-09
2. Property Address 135 Molina Drive City Santa Cruz Zip 95060
(number) (street name) (unit #)
3. Daytime phone (831) 454-0253
4. I, David Lloyd Linda Lloyd am the seller of the property located at the
(PRINT NAME)
above address. I hereby certify that the above property is in compliance with Water
Conservation Law as ordained in Chapter 7.69, Installing Water Conservation Devices, of the
Santa Cruz County Code.

This certification is verified by the following:

- a. Seller Certification
- | | |
|---|--|
| <u>3</u> Total number of showers per property address | <u>0</u> Number of low-flow showerheads retrofitted |
| <u>4</u> Total number of toilets per property address | <u>0</u> Number of ultra-low-flush toilets retrofitted |
- b. Exemption(s) Claimed (check all that apply):
- ☐ structure(s) constructed or remodeled with permits in 1994 or later
 - ☒ existing showerhead(s) use 2.5 g/m or less
 - ☐ emergency shower cannot safely operate
 - ☐ shower requires significant structural modification
 - ☐ showerhead retrofit will not function properly
 - ☒ existing toilet(s) use 1.6g/m or less

I declare under penalty of perjury that the information stated above is true and complete, to the best of my knowledge.

David Lloyd Linda Lloyd 6/20/10
Seller Signature Date

SEND A COPY TO THE BUYER and MAIL ORIGINAL CERTIFICATION FORM TO:
Santa Cruz County Water Conservation Program 701 Ocean Street, room 410 Santa Cruz, CA 95060



**SQUARE FOOTAGE DISCLOSURE
ADDENDUM TO REAL ESTATE PURCHASE AGREEMENT**

In reference to the Real Estate Purchase contract dated _____.

Between: _____, Buyer and

David Lloyd **Linda Lloyd**, Seller.

For the purchase of the real property known as: **135 Molina Drive** **Santa Cruz** **95060**

The Buyer is hereby made aware and acknowledges that the square footage represented to the Buyer is an approximation only of the building area and/or site areas. This applies whether the representation has been made verbally or in writing by either Seller, Agent, or as part of the published information in the Multiple Listing Service. If the Buyer is relying upon the representation of square footage in purchasing the property, the Buyer should employ, at his expense, a professional, e.g., Civil Engineer, Architect, Surveyor, General Contractor or an Appraiser (who does not require a license) to measure the building and/or site area and provide to the Buyer a report setting out the square footage of the building or site area or both of the subject property.

If the square footage represented is more than that measured by the Buyer's expert, the escrow may be cancelled at the option of the Buyer and the Buyer's deposit returned. (This applies only if the source of the square footage amount was the Multiple Listing Service or was provided in writing by the Seller or Agent.)

BUYER'S FAILURE TO NOTIFY SELLER IN WRITING WITHIN (or _____ DAYS) FROM SELLER'S ACCEPTANCE SHALL CONCLUSIVELY BE CONSIDERED APPROVAL.

This agreement, when signed by Buyer and Seller, is made an integral part of the above referenced Purchase Agreement.

Seller *David Lloyd*

Buyer _____

Seller *Linda Lloyd*

Buyer _____

Date 6/20/2010

Date _____



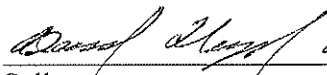
CURRENT "AS-IS" CONDITION ADDENDUM

Addendum to Residential Purchase Agreement dated _____ for the property
located at **135 Molina Drive** **Santa Cruz** **95060**

Buyer is aware that Seller is selling and Buyer is purchasing the property in its
CURRENT "AS IS" CONDITION WITHOUT REPRESENTATIONS OR
WARRANTIES OF ANY KIND OR NATURE, AND WITHOUT SELLER
OBLIGATION TO MAKE ANY CHANGES, ALTERATIONS OR REPAIRS.

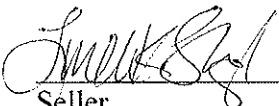
Buyer acknowledges for Buyer and Buyer's successors, heirs and assignees, that Buyer
has been given a reasonable opportunity to inspect and investigate the property and all
improvements thereon, either independently or through agents of Buyer's choosing, and
that in purchasing the property Buyer is not relying on the Buyer's agent, the seller, or its
agents, as to the condition or safety of the property and/or any electrical, plumbing,
heating, sewer, roof, air conditioning, if any foundations, geological hazard, soils and
geology. Size of lot or improvement, or suitability of the property and/or its
improvements for particular purpose (i.e.: habitation, building, health and safety
regulations), or that any appliances, if any, plumbing and/or utilities are in working order,
and/or that improvements are structurally sound and/or in compliance with any city,
county, state and/or Federal statutes, codes or ordinances. Additionally, it is agreed any
repairs or work required by Buyer's Lender, including the requirement for a Section 1
Termite Clearance is to be the sole responsibility of the Buyer.

The closing of this transaction shall constitute as acknowledgement by the Buyer(s) that
the PREMISES ARE ACCEPTED WITHOUT REPRESENTATION OR WARRANTY
OF ANY KIND OR NATURE AND IN THEIR CURRENT "AS IS" CONDITION
BASED WHOLELY ON BUYER'S INSPECTION.

 6/20/2010

Seller Date

Buyer Date

 6/20/2010

Seller Date

Buyer Date

Listing Agent Date

Selling Agent Date



MOLD ADVISORY

Property Address:

135 Molina Drive

Santa Cruz

95060

It has been discovered that toxic and non-toxic mold may exist in homes, apartments and commercial buildings. Current information indicates that some types of mold may cause severe health problems for certain individuals.

Not all molds are detectable by a visual inspection by a Realtor® or even a professional building inspector. It is also possible that the property could have a hidden mold problem of which the seller is not aware.

The only way to provide any reasonable assurance that the property does not have a mold or other health hazard problem is to retain the services of an environmental expert who will conduct specific tests. These tests may consist of an interior and exterior examination for airborne spores and a carpet test, and other procedures that may be deemed necessary. Any visible mold should be professionally evaluated.

Keller Williams Realty advises that every buyer consider having a specific mold test performed by an environmental professional. This is especially necessary if any of the inspection reports or disclosure documents indicate that there is evidence of past or present moisture, standing water or water intrusion at the property since most mold thrives on moisture.

All inspections, including those to detect mold, are to be completed within the inspection period established in the purchase contract. Any waiver or failure on the part of a buyer to complete and obtain all appropriate tests, including those for mold, is against the advice of the Broker.

Broker has not and cannot verify whether or not there is any health hazard at the property.

Seller: *David Lopez*

Date: 6/20/2010

Seller: *Indira Singh*

Date: 6/20/2010

Buyer: _____

Date: _____

Buyer: _____

Date: _____



MEDIATION DISCLOSURE

WHAT IS MEDIATION? Mediation is a process used to resolve disputes. In mediation the parties to a dispute are assisted by a neutral third party called a mediator. The mediator is not empowered to impose a settlement on the parties; rather, the mediator facilitates discussions and negotiations with a goal toward reaching settlement.

HOW IS MEDIATION DIFFERENT FROM OTHER PROCESSES? Disputes can be resolved in many ways. Initially, the parties often try to negotiate a settlement. This can be done face to face or through representatives such as a real estate agent or attorney. On the other end of the spectrum parties can resolve their differences through self help. In between lay various options such as mediation, arbitration and litigation.

Litigation is an adversarial process in which parties look to a third person (judge or jury) to impose on them a binding decision. The litigation process is analogous to a contest in which a third person selects a winner and a loser. Arbitration resembles negotiation in that the parties present evidence to a third person who then decides their dispute. Arbitrations, however, are not held in the formal surroundings or under the normal rules of a court. Finally, the parties can approach a mediator to help them fashion a resolution. The mediator's role is to enable the parties to work with one another to achieve a common goal – a mutually acceptable agreement.

HOW DOES MEDIATION WORK? One of the benefits of mediation is that it does not have to follow any particular formal or structural format. Typically though, mediation will begin with the mediator introducing him/herself to the parties, confirming that any documents, such as a confidentiality agreement, have been signed and explaining the initial manner in which the mediation will be conducted. The parties are then each given a chance to express to the other how they view the dispute. Some mediators will then separate the parties and meet with each individually. Other mediators do not separate the parties unless a particular underlying or unexpressed feeling or issue needs to be dealt with in confidence.

The mediator looks for areas of agreement, identifies issues, proposes ideas and questions assumptions and positions but does not tell the parties how to resolve their dispute. Flexibility allows the mediator to tailor the process to suit the needs of the parties. If agreement is reached, the mediator often assists the parties in reducing the agreement to writing.

WHO AND HOW MUCH? Any neutral person the parties trust can mediate a dispute. This person can be a member of a panel of mediation service, a rabbi or a priest, or anyone else who does not have an interest in the outcome. California law does not require licensing or certification for mediators. However, many professional mediators have attended training programs, have had relevant dispute resolution experience and belong to professional organizations.

The cost of mediation can vary depending on the mediator selected and the location and time allotted for the mediation. Mediation fees can be as little as a few hundred dollars divided equally between the parties (or perhaps nothing at all for those who cannot afford it) to an initial filing fee of several hundred dollars plus an hourly fee for the mediator. Mediators can be located by looking in the local telephone directory under Mediation or Arbitration, contacting agencies such as the California Department of Consumer Affairs, or organizations such as a local bar association, or asking your lawyer.

Seller *Dan & Mary* Date 6/20/2010 Seller *Judith* Date 6/20/2010

Buyer _____ Date _____ Buyer _____ Date _____



ARBITRATION DISCLOSURE

WHAT IS ARBITRATION? Arbitration is simply the name used to describe a particular method for resolving disputes between two or more parties. Just as problems may be solved through negotiation or, in extreme cases, litigation, so, too, may problems be resolved by the use of arbitration. As a matter of fact, generally speaking, arbitration may be used to resolve any type of dispute unless restricted by the arbitration agreement itself.

In an arbitration, a neutral person who is otherwise uninvolved in the dispute (the arbitrator) listens to the parties express their points of view and then renders the decision (called an award) based upon the presentation of the evidence.

The process, in some respects, is similar to what takes place in a court of law. For instance, any party to an arbitration may be represented by an attorney. However, unlike a court process, formal rules of evidence and procedure are not required and the dispute will not be decided by an active judge or jury. Nevertheless, the award issued by the arbitrator is binding upon the participants and can be enforced as if it were rendered in a court.


WHAT ARE SOME ADVANTAGES OF ARBITRATION? When disputes are resolved through arbitration, use of the judicial system is avoided. In many counties throughout the state the courts are backlogged with an overabundance of lawsuits. Progress of a court case comes slowly, the formal rules are cumbersome, and a trial may not take place for many months or even many years. The delays inherent in litigation create an emotional and financial hardship on almost all parties.

An arbitration, on the other hand, will almost always be resolved sooner than a court action. The entire process from start to finish is often completed in a few months. Furthermore, because of the advantages of speed and informality, attorney fees and costs are usually lower than in litigation. Arbitrations are also private. Thus, the testimony and any sensitive information will take place behind doors that are not open to the public. Additionally, individual arbitrators can be selected with an expertise in the particular field of dispute. This helps to ensure that the decision will be made by a knowledgeable and informed person. Lastly, arbitration awards are final, binding, and legally enforceable.

WHAT ARE SOME OTHER FACTORS TO CONSIDER? There is only a limited right to appeal an arbitration award; the parties must pay for the services of an arbitrator and, if a party does not comply with an award, the prevailing party may be required to go to court to enforce the award.

WHAT ISSUES CAN BE RESOLVED BY ARBITRATION? Arbitration may be used to decide virtually any type of claim, including actions or breach of contract, misrepresentation and fraud. Certain types of claims are excluded by statute from arbitration under a real estate listing or sales agreement. Examples include bodily injury, wrongful death, foreclosure, marital dissolution, and probate or eviction proceedings. Other limitations may appear in the clause itself. As a remedy, the arbitrator has the authority to award money damages, both actual and punitive, as well as specific performance.

WHAT SHOULD I DO? Think carefully about your decision concerning arbitration. It is important. Read the arbitration clause entirely before deciding whether to sign it. If you want more information ask your REALTOR® for the extensive Arbitration Question and Answer Memorandum prepared by the C.A.R. or consult your attorney.
REMEMBER, THE CHOICE IS YOURS.

Seller 

Date 6/20/2010

Seller 

Date 6/20/2010

Buyer _____

Date _____

Buyer _____

Date _____



PRDS® SUPPLEMENTAL SELLER'S CHECKLIST

Supplement to Transfer Disclosure Statement

(Page 1 of 7)



Property: 135 Molina Drive

Santa Cruz

95060

Date: 6/20/2010

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

CAUTION TO SELLER: California law requires that you disclose to a Buyer all material facts, of which you are aware or reasonably should be aware, bearing on the value or desirability of the Property. This supplemental form serves as an additional checklist intended to aid you in identifying, recalling and disclosing such material facts (including negative conditions that arose during prior ownerships). If you are in doubt as to whether a condition constitutes a "defect," it is always prudent to disclose and explain rather than remain silent. Full disclosure of material facts reduces the risk of subsequent disputes, claims and litigation regarding the Property. Please be aware of your obligation as Seller to be alert to, and to disclose problems and defects known by you to exist, even where they are not included in this checklist.

CAUTION TO BUYER: California law requires that you exercise reasonable care in investigating the Property, and that you take account of facts that are disclosed or otherwise known to you, or which are within your diligent attention and observation. You are strongly urged to thoroughly inspect the Property and surrounding neighborhood, carefully read and assess all disclosures and inspection reports (carefully considering inspectors recommendations of additional, specialized inspections) and to ask questions and make additional inquiries of others, including inspection professionals, that you, as Buyer, feel important. Factors relating to the Property and/or the neighborhood may affect you quite differently (positively or negatively) than they do the Sellers, whose perceptions are inevitably subjective. A property or neighborhood condition that is entirely satisfactory to a Seller might be regarded by a Buyer as an annoyance or a nuisance. Understand that this and other Seller disclosures typically reflect a Seller's non-expert, subjective perceptions of a Property, and that items noted on this form reflect only those conditions of which Seller is aware. This list almost certainly does not account for each and every possible defect and Seller's lack of awareness of a problem does not mean that none exists.

Respond To Each and Every of The Following Items

Answer "Yes" where you are aware of any material fact, condition or circumstance, past or present, relating to that item (including items that have been previously repaired), and provide details in the "Explanations" space provided for each category. If necessary, use additional pages.

1. HOUSE/LOT SIZE

a) Approximate lot size: 2.0 acres

☐ UNKNOWN

Source: Map, Original listing

b) Approximate house square footage: 2400

☐ UNKNOWN

Source: Appraisal Report (Original)

c) Approximate age of the house: 28 years

☐ UNKNOWN

Source: County Records, Orig. purchase info

d) How many years have you owned the Property? 19

Lived in the Property? 19

2. ALTERATIONS: Account for all remodeling work, repairs and alterations done by you (and those done, to your knowledge, by prior owners or any other person.)

Nature of Work	Approximate Completion Date	Seller has Permit Documentation* (Complete or Otherwise)	Seller has Other Documentation
a) <u>Roof 40 yr</u>	<u>May 9, 1997</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b) <u>Wood Floors, kitchen & dining</u>	<u>Dec, 1998</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No*
c) _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
d) _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
e) _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
f) _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

*For example: copies of permits (including "final" permit sign-offs), inspection reports and worksheets, bids and plans

Seller's Initials (DL) (ES)

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Page 1 of 7

Buyer's Initials (_____) (_____)

Form RSSCL Revised 9/02

see attached addendum

Alterations - 135 Molina Drive, Bonny Doon, CA 95060

Nature of Work	Approximate Completion Date	Permit Docs	Other Docs
Replaced shake shingles with 40 year roof, and installed new galvanized gutters	5/9/97	Y	Y
Installed pre-finished hardwood floors in kitchen and dining room	12/15/98	N	Y
Replaced tile in kitchen and half bath	12/15/97	N	Y
Installed Andersen triple latch doors in dining room and kitchen	8/97	N	Y
Retaining wall, graded and paved driveway	11/99	N	Y
Installed gas (propane) fireplace in master bedroom	3/97	N	Y
Finished attic room	4/00	N	Y
Installed zone heating and air conditioning	9/99	N	Y
Installed sprinkler system (front yard)	1994	N	Y
Remodeled upstairs bath	2004	N	Y
Replace plumbing with copper pipe (entire house) and installed constant flow water heater	2006	N	Y
Installed window and sliding door in breakfast nook	12/08	N	Y
Installed new fireplace and chimney in living room	11/08	N	Y
Add staircase to garage upstairs room (remove pull-down stairs)	2009	N	N
New well pump, service and clean out well	2/09	N	Y
Replace two front porch posts at stairs	6/10	N	Y
New decks	6/10	N	Y
Resurfaced driveway	7/10	N	Y

Property: 135 Molina Drive

Santa Cruz

95060

Date: 6/20/10

PRDS® SUPPLEMENTAL SELLER'S CHECKLIST (Page 2 of 7):

Answer each of the following questions.

Answer YES to any of the items if you are aware of any condition or circumstance, whether past or present, and whether or not previously repaired, relating to that item. Whenever an item is checked "YES" explain in detail on the lines at the end of the relevant category. (If necessary, use additional pages.)

3. FOUNDATION/BASEMENT/CRAWL SPACE/SOILS/RETAINING WALLS

YES NO

- a) Are you aware of any cracks, patches or repairs in the foundation, retaining walls or any other part of the structure? ☐ YES ☒ NO
- b) Are you aware of any soils problems, such as settlement, movement, cracking, slippage or instability? ☐ YES ☒ NO
- c) Are you aware of any settlement, movement, cracking, bowing, tilting, rotation or deterioration of foundation members, retaining walls or other structural elements? ☐ YES ☒ NO
- d) Are you aware of any settlement, movement, cracking, shifting, separation or sub-surface erosion as to walkways, patios, swimming pool or other decking, or any other pavement or hardscape? ☐ YES ☒ NO
- e) To your knowledge, has any landfill, grading, "cut and fill", compaction or other soils work taken place at the Property? ☐ YES ☐ NO

Explanations (If "yes" is checked on any of the above, please explain below):

4. INTERIOR SURFACES/ELEMENTS

YES NO

- a) Are you aware of any interior cracks (e.g., to ceiling, walls, around windows, etc.)? ☐ YES ☐ NO
- b) Are you aware of any patching or repair of any interior cracks? ☐ YES ☒ NO
- c) Are you aware of any squeaking, sloping or out-of-level floors? ☒ YES ☐ NO
- d) Are you aware of any stains, warping, cupping, chipping, cracking, sponginess, water damage or other defects relating to hardwood (or other wood), tile, linoleum or any other flooring surface? ☒ YES ☐ NO
- e) Are you aware of any windows that stick or bind, that fail to either latch, open or close with relative ease, or that otherwise fail to operate properly (whether continuously or seasonally)? ☐ YES ☒ NO
- f) Are you aware of any glass in any interior door (including shower door) or interior window that is not "safety glass"? ☒ YES ☐ NO
- g) Are you aware of any doors that stick or bind, are out of plumb, fail to open or close with relative ease, or that otherwise fail to operate properly (whether continuously or only seasonally)? ☐ YES ☒ NO
- h) Are you aware of any defect (including seal failure) regarding any dual-pane or thermo-pane windows? ☐ YES ☒ NO
- i) Are you aware of any damage or defect (e.g., stains, spots, tears or odors) regarding any installed carpeting? ☐ YES ☒ NO

Explanations (If "yes" is checked on any of the above, please explain below):

c) Master bedroom floor has bow, near surface worn near dining rm. door

Garage windows

5. SURFACE/SUBSURFACE WATER/MOISTURE CONTROL

YES NO

- a) To your knowledge, does there presently exist, or are you aware of any history of, any standing or ponding water or periodic or persistent dampness or moisture, in any sub-areas or elsewhere on the Property? ☐ YES ☒ NO
- b) Are you aware of any past or present flooding (even minor water intrusion) into the garage, basement or sub-areas? ☐ YES ☒ NO
- c) To your knowledge, has any other part of the Property suffered any flooding or drainage problems? ☐ YES ☒ NO
- d) To your knowledge, has any drainage systems (e.g. french drains, curtain drains), sump pumps, fans, or dry wells ever been installed at the Property? ☐ YES ☐ NO
- e) To your knowledge, does a spring, high water table, sub-surface stream or aquifer, or any other natural source of water, exist on, or affect, the Property? ☐ YES ☐ NO

Explanations (If "yes" is checked on any of the above, please explain below):

* All downspouts are plumbed away from the house, and a surface drain was added near the front of the house

6. ROOF/GUTTERS/SIDING

YES NO

- a) To your knowledge, have there been any blockages, or other failures, of downspouts, gutters, fixed or imbedded gutter extensions or storm drains? ☐ YES ☒ NO
- b) Are you aware of the occurrence of any past or present leaks from or through roof, siding, windows, skylights, gutters, downspouts, eaves, awnings or other areas? ☐ YES ☒ NO
- c) To your knowledge, has any, roof repair, restoration, replacement (full or partial) or other work been undertaken? ☒ YES ☐ NO
- d) What is the approximate age of the roof? 13 years

Explanations (If "yes" is checked on any of the above, please explain below):

c) 40 yr roof installed to replace shake roof in 1997.

7. HEATING SYSTEM/AIR CONDITIONING

YES NO

- a) Describe the type of heating system in the Property. (If there are multiple systems, account for each throughout this Paragraph 7.) It efficiently forced air, LP Gas Fireplace (MB), wood fireplace - LR
- b) Have you encountered, or are you aware of, any problems with any aspect of the heating system? ☐ YES ☒ NO
- c) Are any bedrooms or other major rooms not directly served by a heating duct? (If so, which rooms)? ☐ YES ☒ NO
- d) What is the approximate age of the heating system? 10 years
- e) When was the heating system last serviced, and by whom? 7/2010 - Balanced Air Systems
- f) Does the Property have a central air conditioning system? (If there are multiple systems, account for each with respect to all issues and inquiries raised by this Paragraph 7.) ☒ YES ☐ NO
- g) Have you ever encountered, or are you aware of any problems with, any aspect of the air conditioning system? ☒ YES ☐ NO
- h) What is the approximate age of the air conditioning system? 10 years
- i) When was the air conditioning system last serviced, and by whom? 7/2010 - Balanced Air Systems
- j) If the Property is served by propane, are you aware of any past or present problems with that system? ☐ YES ☒ NO

Explanations (If "yes" is checked on any of the above, please explain below):

System needed service due to mal function

Property: 135 Molina Drive

Santa Cruz

95060

Date: 6/20/2010

PRDS® SUPPLEMENTAL SELLER'S CHECKLIST (Page 3 of 7):

Answer each of the following questions.

Answer YES to any of the items if you are aware of any condition or circumstance, whether past or present, and whether or not previously repaired, relating to that item. Whenever an item is checked "YES" explain in detail on the lines at the end of the relevant category. (If necessary, use additional pages.)

8. ELECTRICAL FIXTURES/APPLIANCES

YES NO

- a) To your knowledge, have any electrical fixtures, devices or installed appliances (including, e.g., central vacuum, instant hot water) ever failed to perform properly or have any undergone repairs? ☐ YES ☒ NO
- b) To your knowledge, do lights ever dim, e.g., during use of multiple appliances? ☐ YES ☒ NO
- c) To your knowledge, has the electrical system encountered any blown fuses, tripped circuit breakers or any other problem, or undergone any repair or modification? ☐ YES ☒ NO
- d) Have you yourself, or has any unlicensed worker or contractor, undertaken any electrical repair, wiring, installation or other electrical work at the Property? ☒ YES ☐ NO

Explanations (If "yes" is checked on any of the above, please explain below):

d) Dave installed generator, light fixtures, front yard lights.

9. ELECTRONICS/NETWORKS/TELEPHONE DEVICES AND SYSTEMS

YES NO

- a) Does the Property have a television antenna? ☐ YES ☒ NO
- b) Are cable television lines presently installed and hooked up to a cable television service provider? ☒ YES ☐ NO
- c) If cable television is not presently set up at the Property, are you aware of the availability of commercial cable television service at your location? ☐ YES ☐ NO N/A
- d) Is a satellite receiver (or "dish") affixed and wired into the Property? If yes, it is ☐ Leased ☐ Owned by Seller ☐ YES ☒ NO
- e) Do any abandoned or unused cable or satellite systems remain at the Property? ☐ YES ☒ NO
- f) Are you aware of any electronic interference to your television, radio, cell phones, etc., from neighboring transmitters, ham radio operators or other sources? ☐ YES ☒ NO
- g) How many individual telephone lines (separate telephone numbers) are wired into the Property? Don't know, maybe 3, but we only use one. ☐ YES ☒ NO
- h) Is the Property wired and equipped with an integrated telephone system(s) (e.g., systems incorporating telephone, intercom, radio, other functions)? ☐ YES ☒ NO
- i) Is the Property wired and equipped for high-speed data line service? Through cable provider ☐ YES ☒ NO
- j) Does the Property have a built-in alarm system? If equipped with a built-in alarm system, please indicate the following:
☐ Leased ☐ Owned ☒ Auditory only ☐ "Central Station" only ☐ Auditory and "Central Station" ☐ YES ☒ NO
- k) Have you experienced any system failure caused false alarms or other defects? system needs service ☐ YES ☒ NO
- l) If applicable, name of alarm system provider used (if any) _____
- m) Is the Property equipped with a video surveillance system? ☐ YES ☒ NO
- n) Is the Property equipped with automatic security lighting? ☐ YES ☒ NO
- o) Is the Property equipped with electronically activated gates? ☐ YES ☒ NO
- p) Is the Property equipped with an intercom system? Gate, but it is wireless ☐ YES ☒ NO
- q) Is the Property equipped with built-in sound or entertainment systems? ☐ YES ☒ NO
- r) Describe and explain below any system failure or other problem, past or present, and whether or not previously repaired, regarding any item listed above (g-q) in this Paragraph 9.

Explanations (If "yes" is checked on any of the above, please explain below):

k) alarm needs to be serviced.

10. WATER SUPPLY/PLUMBING (INCLUDING NATURAL GAS AND PROPANE) SYSTEMS

YES NO

- a) Are you aware of any past or present plumbing (including natural gas or propane) leakage or other problems or repairs? ☒ YES ☐ NO
- b) When was any part of the plumbing system last serviced? All water plumbing replaced ~ 2006 ☐ YES ☒ NO
- c) Have you yourself, or has any unlicensed worker or contractor, undertaken any repair, installation or work relating to water or natural gas or propane lines at the Property? ☒ YES ☐ NO
- d) Are you aware of any past or present episode of flooding of any part of the interior of the Property? ☐ YES ☒ NO
- e) Have you experienced high or low water pressure problems at the Property? ☐ YES ☒ NO
- f) Have you experienced any problem with water supply, purity, quality or taste? ☐ YES ☒ NO
- g) Have you experienced excessive delays in drawing hot water to any faucet? ☐ YES ☒ NO
- h) Have you experienced any rust, sediment or discoloration in your water? ☐ YES ☒ NO
- i) Is the Property equipped with a water softener? If yes, it is ☒ Leased ☐ Owned. Rayne ☐ YES ☒ NO
- j) Is the Property equipped with a purification system? If yes, it is ☒ Leased ☐ Owned. Rayne ☐ YES ☒ NO
- k) Have, to your knowledge, any plumbed appliances (e.g., refrigerator ice maker/water dispenser, instant hot water) or other plumbing-related systems failed to operate properly? ☐ YES ☒ NO
- l) Is the Property equipped with a hot water re-circulating system? ☐ YES ☒ NO
- m) Is your water supply fluoridated? ☐ YES ☒ NO

Explanations (If "yes" is checked on any of the above, please explain below):

c) Dave installed generator, installed gas to heater in bedroom,
a) Dave repaired upper bath drain.

11. PRIVATE WATER SYSTEM/WELL

☐ Not Applicable

YES NO

- a) Is the Property served by a private water system that includes other users? If yes, identify the system and set forth and describe Property's water entitlement (or provide full documentation). ☐ YES ☒ NO
- b) Do you have documents setting forth permits, approvals, usage fees and maintenance? ☐ YES ☒ NO
- c) Is the Property served by a well? ☒ YES ☐ NO
- d) Have you experienced any problem with supply, purity, quality or taste of water from any well or private water system? ☐ YES ☒ NO

Seller's Initials (S) (D)

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Page 3 of 7

Buyer's Initials () ()

Form RSSCL Revised 9/02

Property: **135 Molina Drive**

Santa Cruz

95060

Date: **6/20/2010**

PRDS® SUPPLEMENTAL SELLER'S CHECKLIST (Page 4 of 7):

Answer each of the following questions.

Answer YES to any of the items if you are aware of any condition or circumstance, whether past or present, and whether or not previously repaired, relating to that item. Whenever an item is checked "YES" explain in detail on the lines at the end of the relevant category. (If necessary, use additional pages.)

PRIVATE WATER SYSTEM/WELL (continued)

- e) Do you have copies of inspection reports of the well and of any related water storage tank? ☒ YES ☐ NO
- f) Do you have any inspection reports relating to wells, storage tanks, water flow and recovery rates, purity and quality? ☒ YES ☐ NO
- g) Are you aware of any governmental-mandated water hook-up to a public water system contemplated or in process? ☐ YES ☒ NO
- h) Are you aware of any information relating to any governmental water flow requirements or restrictions? ☐ YES ☒ NO

Explanations (If "yes" is checked on any of the above, please explain below):

12. SEWER SYSTEM ☒ Not Applicable

YES NO

- a) Are you aware of any past or present blockage, backup, overflow or other failure of the sewer system (this includes toilets, tubs, kitchen and bathroom sinks, etc.)? ☐ YES ☒ NO
- b) Do any sinks, tubs, showers, etc. drain unreasonably slowly? ☐ YES ☒ NO
- c) With what frequency have you had waste or sewer lines snaked/rooted, and with which service provider? ☐ YES ☒ NO
- d) Are you aware of any current government-imposed inspection, repair or upgrade requirement (e.g., sewer lateral tests) applicable to the Property? ☐ YES ☒ NO
- e) To your knowledge, is the Property equipped with any booster or other pump system related to the sewer system? ☐ YES ☒ NO

Explanations (If "yes" is checked on any of the above, please explain below):

13. SEPTIC SYSTEM ☐ Not Applicable

YES NO

- a) Are you aware of any past or present blockage, backup, overflow or other failure of the septic system? ☐ YES ☒ NO
- b) If you are aware of the material (e.g., concrete, redwood, etc.) of which the septic tank is constructed, please indicate: concrete
- c) Are you aware of any repairs, replacements, relocations or expansions of the septic tank? ☒ YES ☐ NO
- d) When was the septic tank last pumped? 6/2010
- e) Are you aware of any repairs, replacements, relocations or expansions of the leach field(s)? ☐ YES ☒ NO
- f) Have you been informed by any advisory, notification, inspection report or any other source that limitations of the septic system may preclude or limit expansion of living space at the Property? ☐ YES ☒ NO
- g) Have you been informed by any advisory, notification, inspection report or any other source that soils conditions may preclude or limit expansion of the septic system? ☐ YES ☒ NO
- h) Are you aware of any governmental plans or requirements that may mandate hook-up to a public sewer system? ☐ YES ☒ NO
- i) Are you aware of any present or contemplated governmental measure that would require, upon sale, that the septic system be inspected, replaced or upgraded, or converted and connected to a public sewer system? ☐ YES ☒ NO

Explanations (If "yes" is checked on any of the above, please explain below):

c) cracked lid replaced 6/201014. ABANDONED WELLS/SEWER/SEPTIC SYSTEMS ☒ Not Applicable

YES NO

- a) Are there any abandoned wells, water storage tanks or related equipment at the Property? ☐ YES ☐ NO
- b) Are you aware as to whether any unused or abandoned sewer/septic system equipment (e.g., tank, leach lines), or abandoned leach field, is located at the Property? ☐ YES ☐ NO
- If yes, explain below whether and how it has been disposed of (e.g., removed, filled in, etc.) and permit status. ☐ YES ☐ NO

Explanations (If "yes" is checked on any of the above, please explain below):

15. LANDSCAPING/IRRIGATION

YES NO

- a) Does the Property have a sprinkling system? If yes, it is ☐ Manual ☒ Automatic ☐ YES ☐ NO
- b) Does the Property have a drip system? If yes, it is ☐ Manual ☒ Automatic ☐ YES ☐ NO
- c) Does the Property have an exterior lighting system (e.g., landscape, security)? ☐ YES ☒ NO
- d) Does the Property have a pond, waterfall or other decorative water-related landscaping feature? ☐ YES ☒ NO
- e) Are you aware of any defects or malfunctions regarding any of the above systems? ☐ YES ☒ NO
- f) Are you aware of any repairs, modifications or replacements to any of these systems? ☐ YES ☒ NO
- g) Does the Property have a play structure? If yes, please describe below the anchoring mechanism and any defects, modifications or repairs of which you are aware. ☒ YES ☐ NO
- h) Are you aware of any diseases or infestations affecting trees or other plantings at or near the Property? If yes, please describe below, including treatment, if any. ☐ YES ☒ NO

Explanations (If "yes" is checked on any of the above, please explain below):

16. SWIMMING POOL/SPA ☒ Not Applicable

YES NO

- a) Are you aware of any water leakages from the pool or spa? ☐ YES ☐ NO
- b) Are you aware of any past or present defects or malfunctions regarding such pool and spa equipment as heating, filtration or cleaning systems; pool or spa surfaces, decking or coping; lighting, ladders, slides or diving boards; pool enclosures, safety covers or alarms? ☐ YES ☐ NO

Seller's Initials [Signature]
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Property: 135 Molina Drive

Santa Cruz

95060

Date: 6/20/2010

PRDS® SUPPLEMENTAL SELLER'S CHECKLIST (Page 5 of 7):

Answer each of the following questions.

Answer YES to any of the items if you are aware of any condition or circumstance, whether past or present, and whether or not previously repaired, relating to that item. Whenever an item is checked "YES" explain in detail on the lines at the end of the relevant category. (If necessary, use additional pages.)

SWIMMING POOL/SPA (continued)

- c) Are you aware of any repairs having been done to the pool or spa? ☐ ☐
- d) Are you aware as to whether a pool at the Property has been filled in, removed or otherwise abandoned or eliminated? ☐ ☐
- e) Does the pool have a heating system? ☐ Gas ☐ Electric ☐ Solar ☐ Other ☐ ☐
- f) When was the pool heater last utilized? _____
- g) If the pool or spa has had regular maintenance, please identify the service provider, frequency, and last date serviced. _____

Explanations (If "yes" is checked on any of the above, please explain below):

17. PETS/ANIMALS

YES NO

- a) Are you aware of the prior or present existence of pets at the Property? If yes, indicate type, number, and when they were present at the Property. Dogs - 2 Cats - 2 ☒ ☐
- b) Are you aware as to whether at any time any animal urine or feces has come into contact with carpeting or any other interior surface of the Property? ☐ ☒
- c) Are you aware of any staining, spotting, discoloration, warping or any other damage to carpets, hardwood or other flooring, or any other surface, relating to animal urine or feces? ☐ ☒
- d) Are you aware of any present, past or seasonal (e.g., during warm temperatures) odors at the Property relating to animals? ☐ ☒
- e) To your knowledge, have there ever been any ticks, fleas or other pet-related insect problems at the Property? ☐ ☒
- f) Are you aware of any treatment or process employed to eradicate pet-related odors, stains or other problems? ☐ ☒

Explanations (If "yes" is checked on any of the above, please explain below):

18. NEIGHBORHOOD CONDITIONS

YES NO

- a) Is the Property situated on or near a bus route? ☐ ☒
- b) Is noise related to vehicular traffic, including bus traffic, noticeable at the Property? ☐ ☒
- c) Do problems with any traffic congestion, excess speed, hampered driveway ingress or egress, limited or congested on-street parking, or other road-related difficulties exist at or near, or do they otherwise affect, the Property? ☐ ☒
- d) Is railroad, train, light rail, BART, or other rail traffic noticeable at the Property? ☐ ☒
- e) Is aircraft noticeable at the Property? ☐ ☒
- f) Is noise from schools or parks noticeable at the Property? ☐ ☒
- g) Do any local business, recreational, commercial or institutional (e.g., day care, religious, residential care or "group") facilities create noise, litter, traffic/parking congestion, night activities or other annoyances noticeable at the Property? ☐ ☒
- h) Do any local entertainment complexes, amphitheaters or other venues create noise litter, traffic/parking congestion, night activities or other annoyances noticeable at the Property? ☐ ☒
- i) Do local events, gatherings or traditions (e.g., parades, block parties, holiday decorations, sporting events) create noise, litter, traffic/parking congestion, night activities or other annoyances noticeable at the Property? ☐ ☒
- j) Is barking and/or are other noises from dogs, cats or other animals noticeable at the Property? ☒ ☐
- k) Has the presence in your neighborhood of birds (e.g., pigeons, seagulls), rodents or other animals, including both feral and domesticated animals, caused or constituted an annoyance or nuisance at the Property? ☐ ☒
- l) Are other neighborhood noises (e.g., loud music, construction equipment, shouting, air condensers and other noisy appliances, generators, pool equipment, late-night parties, sporting or other events) noticeable at the Property? ☐ ☒
- m) Are there odors from or in the neighborhood that have been noticeable at the Property? ☐ ☒
- n) Is there a neighborhood litter or debris problem that reflects on, or otherwise affects, the Property? ☐ ☒
- o) Are you aware of any burglaries, assaults or other crimes in the neighborhood within the last three years? ☐ ☒
- p) Are you aware of any Property or neighborhood conditions or circumstances beyond those referred to above that might reasonably affect the value or desirability of the Property? ☐ ☒
- q) Have you, or to your knowledge has anyone in your neighborhood or household, ever complained to governmental authorities or others regarding any neighborhood condition, including those listed in this Paragraph 18? ☐ ☒

Explanations (If "yes" is checked on any of the above, please explain below):

j) Neighbors have dogs

19. ENVIRONMENTAL ISSUES

YES NO

- a) Are you aware of the presence of any asbestos (e.g., in sprayed ceiling materials, furnace ducting, etc.) at the Property? ☐ ☒
- b) Are you aware of the past or present disposal, leakage or spills on or near the Property of motor oil, heating oil, solvents or other hazardous chemicals or substances, or the existence (and any known leakage, failure or other failure) of any above-ground or underground storage tank ("UST") located on or near the Property? If yes, describe present status and details regarding any remediation or clean up. ☐ ☒
- c) Are you aware of the presence on the Property of any UST ever containing heating oil, gasoline/diesel or any other fluid? ☐ ☒
- d) Are you aware of the removal from the Property of any previously buried or unburied storage tank? If yes, please provide details, date, regarding circumstances and public agency involvement. ☐ ☒
- e) Are you aware of any toxic or hazardous material leakages or spills within a half-mile of the Property? ☐ ☒
- f) Are you aware at the Property of lead-based paint, any lead paint residue or any other lead material? ☐ ☒
- g) Are you aware of the past or present existence at the Property of any mold, fungus or spores? ☐ ☒

Seller's Initials (SJS) (DJS)
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Page 5 of 7

Buyer's Initials () ()

Form RSSCL Revised 9/02

Property: **135 Molina Drive****Santa Cruz****95060**Date: **6/20/2010****PRDS® SUPPLEMENTAL SELLER'S CHECKLIST (Page 6 of 7):**

Answer each of the following questions.

Answer YES to any of the items if you are aware of any condition or circumstance, whether past or present, and whether or not previously repaired, relating to that item. Whenever an item is checked "YES" explain in detail on the lines at the end of the relevant category. (If necessary, use additional pages.)

ENVIRONMENTAL ISSUES (continued)

- b) Are you aware of any environmental inspections or tests undertaken relative to any exterior part of the Property? ☐ ☒
- i) Are you aware of any odors at the Property whether persistent, recurrent, occasional or seasonal? ☐ ☒
- j) Are you aware of any present or prior use of the Property as a site or facility (e.g., "lab") used for the manufacture, storage, disposal, release, use or sale of illegal controlled substances, and/or any chemicals or substances used in the manufacture or preparation thereof? ☐ ☒

Explanations (If "yes" is checked on any of the above, please explain below):

20. GOVERNMENTAL ISSUES/HOMEOWNER ASSOCIATION ISSUES

YES NO

- a) Are you aware of the existence of any special (e.g., seismic, flood, coastal) zone that covers the Property? ☐ ☒
- b) Are you aware of the existence or pendency of any applicable rent control ordinance? ☐ ☒
- c) Are you aware of any current bonds, fees or assessments that do not appear on the Property's tax bill? ☐ ☒
- d) Are you aware of any proposed or contemplated bonds, fees or assessments that would, if enacted, apply to the Property? ☐ ☒
- e) Are you aware of any restrictions on use of the Property other than those imposed by zoning laws or CC&Rs? ☐ ☒
- f) Are you aware of any existing or contemplated building (or other) moratoria that would apply to the Property? ☐ ☒
- g) To your knowledge, is any Property-related application, certification, inspection or investigation by any governmental authority currently pending or contemplated? ☐ ☒
- h) Are you aware of the existence or pendency of any stop work order, or notice of code or other violation or dangerous condition? ☐ ☒
- i) Are you aware of any government-imposed requirement or order that brush, trees, grass or other vegetation at the Property be cleared, or that flammable materials be removed? ☐ ☒
- j) Are you aware of any government-mandated tree (or other landscaping) planting, tree removal or cutting restrictions, removal or replacement program that would affect the Property? ☐ ☒
- k) Are you aware of whether any part of the Property falls under provisions of the Williamson Act (tax-benefited covenant to hold and maintain certain properties as agricultural lands)? ☐ ☒
- l) Are you aware of any ongoing or contemplated eminent domain, condemnation or annexation process or proceedings relating to the Property? ☐ ☒
- m) Are you aware as to whether or not the Property's school district mandates the busing of students? ☐ ☒
- n) Are you aware of any current or contemplated construction, reconfiguration, conversion or closure of any nearby schools? ☐ ☒
- o) Are you aware of any ongoing or contemplated construction, reconfiguration or closure relating to nearby roadways? ☐ ☒
- p) Are you aware of any ongoing or contemplated removal or emplacement of any nearby traffic signals or signs? ☐ ☒
- q) Are you aware of any ongoing or contemplated construction, reconfiguration or closure of nearby parks/recreational facilities? ☐ ☒
- r) Is the Property situated in an unincorporated area of the County? ☐ ☒

Explanations (If "yes" is checked on any of the above, please explain below):

21. TITLE/OWNERSHIP/LITIGATION

YES NO

- a) Are you aware of any person who, though not currently an owner of record, nevertheless claims an ownership interest in, or right to possess, the Property? ☐ ☒
- b) Are you aware of any ongoing or contemplated legal proceedings (e.g., probate, trust, guardianship, quiet title, specific performance) relating to the Property? ☐ ☒
- c) Do you have or intend to utilize a power of attorney in conjunction with the sale of the Property? ☐ ☒
- d) Is the access road to the Property a private road? If yes, indicate whether there is a written road maintenance agreement recorded for the Property, and explain how the road is maintained. ☐ ☒
- e) Are you aware of any use (e.g., as a pathway, driveway, landscaping, etc.), continuous or otherwise, made at or of the Property by any other person? ☐ ☒
- f) Are you aware of any claims made by others of any license, easement (including prescriptive easement) or other right or entitlement relating to the Property? ☐ ☒
- g) Are you aware of the existence of any unrecorded deed, road maintenance agreement, water usage agreement or other agreement or instrument relating to the Property? ☐ ☒
- h) Are you aware of any lease or rental agreement that is, or is claimed to be, currently in effect? ☐ ☒

Explanations (If "yes" is checked on any of the above, please explain below):

22. HOME OWNER'S INSURANCE COVERAGE AND CLAIMS HISTORY

YES NO

- a) Within the past five years have you or, to your knowledge, has any prior owner, made any claim relating to a plumbing leak or other water release, water intrusion, property damage, personal injury, or any other matter, against a Home Owner's Insurance policy (i.e., fire and/or other property and personal casualty policy) covering the Property? ☐ ☒
- If "Yes," please identify the following as to each claim (use additional pages, if necessary):
- 1) name of claimant _____
- 2) insurance company and policy number _____
- 3) approximate date of the claim _____
- 4) nature of the claim, and how resolved, if known _____
- b) Has, to your knowledge, any insurance company, within the past five years, refused to issue to you or renew for you a Home Owner's Insurance policy covering the Property? ☐ ☐

Seller's Initials (**SSB**) (**ed**)
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Page 6 of 7

Buyer's Initials () ()

Form RSSCL Revised 9/02

Property: 135 Molina Drive Santa Cruz 95060 Date: 6/20/2010

PRDS® SUPPLEMENTAL SELLER'S CHECKLIST (Page 7 of 7):

Answer each of the following questions.

Answer YES to any of the items if you are aware of any condition or circumstance, whether past or present, and whether or not previously repaired, relating to that item. Whenever an item is checked "YES" explain in detail on the lines at the end of the relevant category. (If necessary, use additional pages.)

HOME OWNER'S INSURANCE COVERAGE AND CLAIMS HISTORY (continued)

If "Yes", please indicate the following (use additional pages, if necessary):

- 1) approximate date of such refusal _____
 - 2) the insurance company involved _____
 - 3) the basis of the refusal, if known _____
 - c) Apart from any other insurance requirements, has your lender required you to carry flood or earthquake insurance? ☐ ☐
- Explanations (If "yes" is checked on any of the above, please explain below):

23. GENERAL

- | | YES | NO |
|---|--------------------------|-------------------------------------|
| a) Are you aware of any death, natural or otherwise, having occurred on the Property within the past three years? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) Are you aware of the existence of any current or prior inspection reports, termite/structural pest control reports, contractor estimates/bids or other documents (not otherwise accounted for above) relating to the structure, condition, repair or contemplated repair, or contemplated improvement of the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) Are you aware of any problem, defect, deficiency, malfunction or other negative condition or attribute of the Property other than what you have disclosed? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Explanations (If "yes" is checked on any of the above, please explain below):

24. ADDITIONAL INFORMATION (Use additional sheet, if necessary)

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

Date: 6/20/2010 Seller: [Signature] Buyer: [Signature]

Buyer hereby acknowledges receipt of a copy of this document:

Date: _____ Buyer: _____ Buyer: _____



RECEIPT FOR ENERGY COMMISSION LETTER REGARDING NEW DUCT SEALING REQUIREMENTS

The undersigned Buyer(s) and Seller(s) acknowledge receipt of the attached letter dated August 2, 2005 from the California Energy Commission regarding the New Duct Sealing Requirements that became effective on October 1, 2005.

Depending upon certain conditions, 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.

These new duct sealing requirements may impact a Seller's disclosure obligations and/or any negotiations between principals regarding replacing the heating, ventilating and air conditioning (HVAC) systems. These new requirements may increase the costs associated with replacing or installing an HVAC system.

Realtors do not have the requisite expertise to determine the need for testing or sealing ducts and will not verify the information provided by others about the condition of the HVAC system.

The undersigned acknowledge receipt of this disclosure and the attached letter.

Date 6/20/2010 Seller's Signature [Signature]
Date 6/20/2010 Seller's Signature [Signature]
Date _____ Buyer's Signature _____
Date _____ Buyer's Signature _____

KELLER WILLIAMS® REALTY

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**DISCLOSURE FORM RE COUNTY OF SANTA CRUZ AGRICULTURAL LAND
PRESERVATION AND PROTECTION ORDINANCE, CHAPTER 16.50**

**Santa Cruz County Code Section 16.50.090(a) Notification and Disclosure
Statement Requirements.**

A person who is acting as an agent for a Transferor of real property which is located in the unincorporated portion of the County or the Transferor if he or she is acting without an agent, shall disclose to the Acquiring Party that:

Santa Cruz County has a strong rural character and an active historical agricultural sector. As a property owner or lessee you should be prepared to accept properly conducted agricultural practices that are allowed for in Federal, State and County laws and regulations, are consistent with accepted customs and standards and are operated in a non-negligent manner. Accepted agricultural practices that may cause inconveniences to property owners during any 24-hour period may include but are not limited to: Noise, odors, fumes, dust, smoke, pests, operation of farm equipment, storage and application and disposal of manure and the application of pesticides and fertilizers by ground or air. The County of Santa Cruz will not consider an agricultural practice to be a nuisance if implemented in accordance with Federal, State and local law. Nothing herein is intended to limit rights under Federal, State, and local regulations governing pesticide use.

See Santa Cruz County Code Section 16.50.025 for Definitions.


The undersigned hereby acknowledge receipt of a copy of this Disclosure:

Acquiring Party(ies):

_____ Date _____

_____ Date _____

Transferor(s):

_____ Date 6/20/2010

_____ Date _____