Natural Hazard Disclosure Report

- statutory natural hazard disclosure statement (disclosures of: special flood hazard area, area of potential flooding due to dam failure, very high fire hazard severity zone, wildland fire area, earthquake fault zone, and seismic hazard zone)
- county-level natural hazard zone disclosure
- city-level natural hazard zone disclosure
- department of water resources (dwr) supplemental flood disclosures (disclosures of: urban level of flood protection, 200-year BAM floodplain, levee flood protection, floodplain awareness)
- airport influence area disclosure
- military ordnance (formerly used defense sites) disclosure
- megan’s law database disclosure
- tsunami inundation disclosure
- right to farm disclosure
- mining operations disclosure
- san francisco bay conservation and development (BCDC) disclosure
- endangered species disclosure
- radon zone disclosure
- naturally occurring asbestos disclosure
- mold addendum
- methamphetamine contamination disclosure
- commercial & industrial zoning disclosure
- sustainable groundwater management act (SGMA)/california drought advisory
- water conserving plumbing fixture replacement advisory
- seasonal energy efficiency rating (SEER) advisory
- gas and hazardous liquid transmission pipeline disclosure
- california high-speed rail advisory
- other local disclosures (if applicable)

ERIS Environmental Hazard Report

- disclosure of certain contaminated sites/landfills within a designated proximity of the subject property
- disclosure of certain drug labs within a designated proximity of the subject property
- disclosure of certain oil and gas wells within a designated proximity of the subject property

California Tax Disclosure Report

- mello-roos community facilities districts
- 1915 bond act assessments districts
- notice of supplemental property tax bill
- notice of property assessed clean energy (PACE) program
- private transfer fee disclosure advisory

Combined Hazards Booklet

Provided as an email link or can be downloaded at: http://homeguard.com/chbooklet/
residential environmental hazards, protect your family from lead in your home, homeowner’s guide to earthquake safety, home energy rating system (HERS)
Receipt forms can be downloaded at: http://homeguard.com/receipt_forms/

By signing Page 3 of this report, I hereby acknowledge the receipt of the reports with the disclosures, notices, and advisories stated above
statutory zones map

hazard zone legend:

- special flood hazard area
- earthquake fault zone
- dam failure inundation area
- state seismic hazard zone-liquefaction
- very high fire hazard severity zone
- state seismic hazard zone-landslide
- state responsibility area
- property location

NOTE: The map above represents an approximation of the property location. The map should not be relied upon to determine a final proximity of hazard zones. Other non-statutory zones are not included on this map. The location of the home symbol represents an approximate location of the center of the property and in no way constitutes a location of a structure on the subject property.
natural hazard disclosure statement

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

The following are representations made by the seller and the seller’s agent(s) based on their knowledge and maps drawn by the state and federal governments. This information is a disclosure and is not intended to be part of any contract between the seller and buyer.

THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZARDOUS AREA(S):

A SPECIAL FLOOD HAZARD AREA (Any type Zone ‘A’ or ‘V’) designated by the Federal Emergency Management Agency.

Yes [x]  No [ ]  Do not know and information not available from local jurisdiction.

AN AREA OF POTENTIAL FLOODING SHOWN ON A DAM FAILURE INUNDATION MAP pursuant to Section 8589.5 of the Government Code.

Yes [x]  No [ ]  Do not know and information not available from local jurisdiction.

A VERY HIGH FIRE HAZARD SEVERITY ZONE pursuant to Section 51178 or 51179 of the Government Code. The owner of this property is subject to the maintenance requirements of Section 51182 of the Government Code.

Yes [x]  No [ ]

A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS pursuant to Section 4125 of the Public Resources Code. The owner of this property is subject to the maintenance requirements of Section 4125 of the Public Resources Code. Additionally, it is not the state’s responsibility to provide fire protection services to any building or structure located within the wildlands area. The Department of Forestry and Fire Protection has entered into a cooperative agreement with a local agency for those purposes pursuant to Section 4142 of the Public Resources Code.

Yes [x]  No [ ]

AN EARTHQUAKE FAULT ZONE pursuant to Section 2622 of the Public Resources Code.

Yes [ ]  No [x]

A SEISMIC HAZARD ZONE pursuant to Section 2696 of the Public Resources Code.

Yes (Landslide Zone) [ ]  Yes (Liquefaction Zone) [x]

Map not yet released by state [x]

THESE HAZARDS MAY LIMIT YOUR ABILITY TO DEVELOP THE REAL PROPERTY, TO OBTAIN INSURANCE, OR TO RECEIVE ASSISTANCE AFTER A DISASTER.

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

Signature of Seller(s) _______________________________ Date________________

Signature of Seller(s) _______________________________ Date________________

Seller’s Agent(s)   __________________________________ Date________________

SELLER’S AND THEIR AGENT(S) REPRESENT THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF THEIR KNOWLEDGE AS OF THE DATE SIGNED BY THE TRANSFEROR(S) AND AGENT(S).

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

Third-Party Disclosure Provider(s) __________________________________________ Date February 10, 2020

Buyer represents that he or she has read and understands this document in addition to County-level and City-level, airport influence area, military ordnance, commercial zoning, methamphetamine contamination, asbestos, BCDC, radon, endangered species, right to farm, tsunmi inundation, mining, pipeline, and Megan’s Law disclosures, in addition to energy, drought, mold, and high-speed rail advisories. Pursuant to Civil Code Section 1103.8, the representations made in this Natural Hazard Disclosure Statement do not constitute all of the seller’s or agent’s disclosure obligations in this transaction.

Signature of Buyer(s) _______________________________ Date________________

Signature of Buyer(s) _______________________________ Date________________
statutory zones explanation page

On June 1, 1998, Sec. 1103 of the California Civil Code went into effect mandating certain disclosures to be made. This Statutory Zones Explanation Page is designed to supplement “YES/NO” information contained on the previous page of this report by providing specific zone information and/or zone explanation.

SPECIAL FLOOD HAZARD AREA

The subject property is:

Located in Zone X (unshaded).

Copies of Federal Emergency Management Agency (FEMA) maps are usually available from the planning department in the city or county where the property is located. Information about FEMA’s floodplain mapping program and the Natural Flood Insurance Program (NFIP) is available on FEMA’s website: www.fema.gov.

Defining Flood Hazard Areas:

Zones A, A1-A30, AE, AH, and AO represent Special Flood Hazard Areas, also known as “100-year floodplains”, and are defined as portions of a river or stream channel and adjacent lands that are subject to floods with at least a one-percent chance of being exceeded in any given year. Zones V, VE, and A1-A30 represent areas subject to inundation by the 1-percent-anual-chance flood event, but which will ultimately be protected upon completion of an under-construction Federal flood protection system. Zones VH, V1-V30, and VE represent areas of 100-year coastal flood with velocity (wave action). Typically these are zones in which flood insurance is required if loans are obtained from a federally regulated financial institution or are insured by any of the United States Government.

Zones B and X (shaded) represent the areas between limits of the 100-year flood and 500-year flood, or certain areas subject to 100-year flooding with average depths less than one (1) foot or where the contributing drainage area is less than one square mile; or areas protected by levees from the base flood. Zones C and X (unshaded), represent areas of minimal or unidentifiable, but possible flood hazards. Zone D designation is used for areas where there are possible but undetermined flood hazards. The analysis of flood hazards has been conducted.

Homeowners Flood Insurance Affordability Act of 2014 Advisory:

In 1968, Congress created the National Flood Insurance Program (NFIP) providing means for property owners to protect themselves financially from flood events. The NFIP offers flood insurance to homeowners, renters, and business owners if their community participates in the NFIP. Participating communities agree to adopt and enforce floodplain management ordinances that meet or exceed FEMA requirements. The National Flood Insurance Program (NFIP) is in the process of implementing Congressionally mandated reforms required by the Homeowner Flood Insurance Affordability Act of 2014 that will update and modify the Biggert-Waters Flood Insurance Reform Act of 2012. Flood insurance rates are increasing due to many factors, FEMA which backs flood insurance, has experienced extraordinary expenses dealing with natural disasters. Under 2014 Flood insurance affordability amendments, homeowners who are required to carry flood insurance are likely to see premiums costs increase by 25%. Owners of non-residential property are likely to see premiums rise 25%. Policyholders who have questions about the new insurance policies should contact their insurance agent.

For more information, please visit https://www.floodsmart.gov/floodsmart/

Flood Disaster Insurance Disclosure:

The transferor must notify the transferee, by writing on a document about the requirement to obtain and maintain flood insurance in accordance with applicable Federal law in situations where the owner received Federal flood disaster assistance. Failure to notify the transferee means that in the event the transferee fails to maintain the required flood insurance and the property is damaged by a flood disaster requiring Federal disaster relief, the transferor will be required to reimburse the Federal government.

Best Available Maps (BAM) Advisory - California’s 200-Year Flood Zone:

The BAM floodplains identify potential flood risks that may warrant further studies or analyses for land use decisions. Senate Bill 5 (SB 5), which was enacted in 2007, authorized the California Department of Water Resources (DWR) to develop the Best Available Maps (BAM) displaying 100-year and 200-year floodplains for areas located within the Sacramento-San Joaquin (SAC-SJ) Valley watershed. SB 5 requires that these maps contain the best available information on flood hazards and be provided to cities and counties in the SAC-SJ Valley watershed. This effort was completed by DWR in 2008. DWR has expanded the BAM to cover all counties in the State and to include 500-year floodplains. The California Department of Water Resources (DWR) has updated the Best Available Maps to display the latest floodplains in a web viewer located at http://gis.bam.water.ca.gov/bam/. This additional flood information is included in County and City-level disclosures in this report as local jurisdictions begin to include the zones when their General Plans are updated.

AREA OF POTENTIAL FLOODING AS SHOWN ON DAM FAILURE INUNDATION MAP

The subject property is located in a dam failure inundation area for the following reservoir(s):

Devils Canyon Dike #1.

California Civil Code 1103 requires sellers to tell prospective buyers if the residential property lies within an area of potential flooding in the event of the failure of a state-regulated dam. Of the 1,200 dams under the state government’s regulatory jurisdiction, about 650 are large enough and close enough to development to require inundation maps. The owner of a state-regulated dam must prepare a draft dam failure inundation map, which the state Office of Emergency Services (OES) then reviews. OES sends the final inundation map to the cities and counties with jurisdiction over the affected territory so that local emergency services officials can prepare evacuation plans. These zones represent areas that could be inundated by a sudden and total failure of a dam or retaining structure. These maps are based on a worst-case scenario event in that the reservoir is filled to capacity and the dam fails instantaneously. However, dams rarely fail instantaneously and reservoirs are not always filled to capacity. Areas could still be flooded in the event of a partial failure or dam breach.
statutory zones explanation page (continued)

VERY HIGH FIRE HAZARD SEVERITY ZONES

Originating as a response to the 1991 Oakland Hills firestorm, these zones contain a high fire risk due to topography, dwelling density, brush coverage, climate, etc. Properties located in a Very High Fire Hazard Severity Zone (VHFHSZ) are subject to certain fire prevention property maintenance requirements. It is important to note that, according to Government Code Section 51179, a "local agency" (defined as a city, county, city and county, or district responsible for fire protection within a VHFHS Zone) may make changes to recommendations made by the Director of the DFFP pursuant to Government Code Section 51178. This provision allows a local agency, at its discretion, to make changes to the boundaries of VHFHS Zones that may not be reflected on maps released by the California Department of Forestry and Fire Protection used in this report. For more information on this provision, please contact your local agency. For more information on State Very High Fire Hazard Severity Maps, please visit http://frap.fire.ca.gov.

A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS (STATE RESPONSIBILITY AREAS)

Section 4102 of the Public Resources Code (PRC) defines "state responsibility areas" as those areas of the state for which the State has the financial responsibility of preventing and suppressing fires. Under PRC Sections 4125 and 4126, these areas roughly correspond to vegetated lands that have watershed value. Lands in incorporated cities or owned by the federal government are excluded. SRA lands cover about 31 million acres in 56 counties. Areas that are not federal or state responsibility are commonly referred to as "Local Responsibility Areas" or "LRA." For more information on State Responsibility Maps, please visit http://frap.fire.ca.gov.

EARTHQUAKE FAULT ZONES

California Public Resources Code Section 2622 requires the delineation and mapping of "Earthquake Fault Zones" along known active faults in California. Affected cities and counties must regulate certain development projects within these zones. Construction or development, including additions, on affected properties may be subject to the findings of a geological report prepared by a registered California geologist. The Alquist-Priolo Earthquake Fault Zoning Act’s main purpose is to prevent the construction of buildings used for human occupancy on the surface trace of active faults. The Act only addresses the hazard of surface fault rupture and is not directed toward other earthquake hazards. The Alquist-Priolo Earthquake Fault Zone Act was passed in 1972 to mitigate the hazard of surface faulting to structures. This state law was a direct result of the 1971 San Fernando Earthquake, which was associated with extensive surface fault ruptures that damaged numerous homes, commercial buildings, and other structures.

If a property is within an Earthquake Fault Zone, it means that an active fault is present within the zone and the fault may pose a risk of surface rupture to existing or future structures. For more information about this zone, please visit http://www.conservation.ca.gov/CGS/rghm/ap/. For extensive information about Earthquake Fault Zones, please visit http://www.conservation.ca.gov/CGS/rghm/ap/earthquakefaulzones/

SEISMIC HAZARD ZONES

California Public Resources Code Section 2696 requires the delineation and mapping of "Seismic Hazard Zones" in California. Affected cities and counties must regulate certain development projects within these zones. Construction or development, including additions, on affected properties may be subject to the findings of a geological report prepared by a registered California geologist. Seismic Hazard Zones are regulatory zones that encompass areas prone to liquefaction (failure of water-saturated soil) and earthquake-induced landslides. What does it mean to be located within a Seismic Hazard Zone? It means that the state has determined that it is likely that weak soil and/or rock may be present beneath the property. If present, these weak materials can fail during an earthquake and, unless proper precautions are taken during grading and construction, can cause damage to structures. If a property is undeveloped, a site-specific investigation by a licensed engineering geologist and/or civil engineer may be required before the parcel can be subdivided or before most structures can be permitted. For extensive information about these zones, please visit http://www.conservation.ca.gov/cgs/shzp/Pages/Index.aspx.

Defining Liquefaction:

Liquefaction occurs when a saturated formation, typically sandy soil, is turned into a liquid. The key ingredient is a formation of loose, saturated sand. A key component of mapping liquefaction hazard is estimating the shaking needed to trigger liquefaction. The answer is largely based on just how susceptible the material is to liquefaction. In areas exposed to moderate shaking, a material that is highly susceptible to liquefaction may liquefy, but adjacent material that is moderately susceptible may not.
In 1971, the California Legislature made Safety and Seismic Safety Elements mandatory for all Counties and incorporated Cities in the state of California. The requirements were partly a reaction to damaging natural hazards occurring at the time. The purpose of the Safety Element is to reduce deaths, injuries, property damage, and economic and social dislocation resulting from natural hazards including flooding, slope failure, tsunamis, subsidence, earthquakes, avalanches, other geologic phenomena, levee or dam failure, and fires. The Safety Element is the primary vehicle for identifying hazards that municipalities must consider when making land use decisions. Although relatively few Counties and Cities mandate disclosure from their Seismic Safety Elements, it should be considered prudent to disclose information from publicly available maps. Only maps contained in the County or City Seismic Safety Element, or similarly named element, that are of appropriate scale for disclosure are used in this report.

San Bernardino County Natural Hazard Zone Disclosure:
The subject property is in the following zones:
Fault Hazard Zones: Not in
Generalized Landslide Susceptibility: Minimal
Generalized Liquefaction Susceptibility: Not in low, medium, or high
Local Flood Area: Not in
Dam Inundation Area: Not in
Fire Safety Overlay District: Not in

County Zone Explanations:
Fault Hazard Zones represent State of California Alquist-Priolo Earthquake Fault Zones which are considered active faults. Active faults are defined as faults that have experienced fault rupture within the past 11,000 years and are currently seismically active. It cannot always be proven that potentially active faults have ruptured within the past 11,000 years.

Generalized Landslide Susceptibility zones represent areas that have a greater chance of sliding than properties outside of the zone. These typically include areas where there has been a recent landslide, or where local slope, geological, geotechnical, and ground moisture conditions indicate a potential for landslides. Zones mapped include low to moderate, moderate to high, mapped existing landslides, and areas outside of these zones where landslide potential is minimal.

Generalized Liquefaction Susceptibility zones represent areas where there is a potential for, or an historical occurrence of liquefaction. Liquefaction can occur when loose, water-saturated, fine-grained soils (such as sands and silts) are shaken during an earthquake. Soil can temporarily become liquid-like and structures may settle unevenly. Zones mapped include low, medium, high and areas outside of these zones where liquefaction potential is minimal.

Local Flood Area represents areas susceptible to inundation due to storm water runoff or drainage systems. Zones are not the same as FEMA Flood Hazard Zones and should not be used to determine whether or not flood insurance may be required for a particular property.

Dam Inundation Areas represents where flooding could occur if a dam fails.

Fire Safety Overlay Districts: As development encroaches upon wildland areas, the potential for disastrous loss of watershed, structures, and life (human and wildlife) increases. Establishment of a coordinated program to condition development in some of these areas has been adopted through the Fire Safety Overlays provisions of the County Development Code. Continuous evaluation and application of Hazard Overlays and accompanying policies and standards for adequate services, facilities, mapping, and developmental regulation are required as pressure for development increases countywide. Included in developmental regulation are requirements for minimum road widths (to provide adequate access for both fire-fighting equipment and evacuating residents) and clearance around structures to prevent the rapid spread of fire from one structure to another.
city-level natural hazard zone disclosures

In 1971, the California Legislature made Safety and Seismic Safety Elements mandatory for all Counties and incorporated Cities in the state of California. The requirements were partly a reaction to damaging natural hazards occurring at the time. The purpose of the Safety Element is to reduce deaths, injuries, property damage, and economic and social dislocation resulting from natural hazards including flooding, slope failure, tsunamis, subsidence, earthquakes, avalanches, other geologic phenomena, levee or dam failure, and fires. The Safety Element is the primary vehicle for identifying hazards that municipalities must consider when making land use decisions. Although relatively few Counties and Cities mandate disclosure from their Seismic Safety Elements, it should be considered prudent to disclose information from publicly available maps. Only maps contained in the County or City Seismic Safety Element, or similarly named element, that are of appropriate scale for disclosure are used in this report.

City of San Bernardino Natural Hazard Zone Disclosure:

The subject property is in the following zones:
- **Fault Hazards:** Not in
- **Liquefaction Susceptibility Zone:** Not in
- **Potential Subsidence Area:** Not in
- **Slope Stability and Major Landslides:** Not in
- **High Wind Area:** In
- **Fire Hazards:** Not in
- **Dam Inundation Zone:** Not in

City Zone Explanations:

**Fault Hazards** represent areas near active faults, typically 660 feet from a mapped fault trace. San Bernardino is located between several active fault zones including: the San Andreas Fault, the San Jacinto Fault, the Glen Helen Fault, and the Loma Linda Fault. Each of these faults is classified as Alquist-Priolo Special Study Zones under the Alquist-Priolo Earthquake Fault Zoning Act. These zones extend parallel to and extend from approximately 200 to 500 feet from designated faults. Site-specific geologic reports are required for development within these zones to determine the precise location of and any required setbacks from any active faults. Human occupancy structures are prohibited within 50 feet of either side of an active fault. In addition, other faults may also exist outside of the Alquist-Priolo Zones. Although they are not zoned as Alquist-Priolo faults, it is recommended that critical developments proposed in these areas be subject to more detailed, on-site analysis to make a more definite determination as to the activity levels and locations of any faults.

**Liquefaction Susceptibility Zone** represents zones of high and moderate potential for high liquefaction. Liquefaction is a process where strong earthquake shaking causes sediment layers that are saturated with groundwater to lose strength and behave as a fluid. This subsurface process can lead to ground failure that, in turn, can cause property damage and structural failure. Groundwater saturation of sediments is required in order for earthquake-induced liquefaction to occur. Groundwater depth shallower than ten feet to the surface is considered to have the highest liquefaction susceptibility. Groundwater ten to 30 feet below the surface is considered to have a moderately high to moderate susceptibility. Groundwater deeper than 50 feet can create a moderate to low susceptibility to liquefaction.

**Potential Subsidence Area:** Subsidence can be caused by natural geologic processes or by human activity such as subsurface mining or pumping of groundwater or oil. The City’s subsidence area was located within the thick, poorly consolidated alluvial and marsh deposits of the old artesian area north of Loma Linda. Potential subsidence within this area may be as great as five to eight feet if unreplenished groundwater is pumped from the Bunker Hill-San Timoteo Basin. Since 1972, the San Bernardino Municipal Water District has maintained groundwater levels high enough to charge percolation basins that, in turn, filter back into the alluvial deposits. Problems with ground subsidence have not been identified since the groundwater recharge program began.

**Slope Stability and Major Landslides** represents areas prone to landslide potential which is determined by a number of factors including slope, vegetative cover, wildfire, bedrock, soil, precipitation, and human alteration. Slopes may be in temporary equilibrium until one of the above factors is modified resulting in an unstable condition and potential failure. Zones mapped include areas of low, moderate, and high relief, low to moderate susceptibility, and mapped landslides. Sloped areas may include small scale surficial soil slips, debris flows and mudflows on steep slopes, and large rotational slides.

**High Wind Area:** The high wind velocity and property damage potential have resulted in the northern half of the City adjacent to the mountains being classified by the City as a “High Wind Area”. In this area of the City, stringent conditions for the construction of buildings and public facilities are applied. Due to various topographic conditions, wind velocities vary throughout the City; however, building standards remain constant. A detailed study may reveal localized wind patterns that merit different structural standards.

**Fire Hazards:** The San Bernardino Development Code and General Plan define the Foothill Fire Zone Overlay District. The purpose is to mitigate the spread of fire, to help minimize property damage, and reduce the risk to the public health and safety. The Foothill Fire Zone Overlay ranks areas of fire danger (extreme, high, and moderate) and dictates standards that must be met when developing within the overlay. Standards address the access, vegetation, water supply, erosion control, identification, and design of all new development.

**Dam Inundation Zone** represents potential flood inundation resulting from the failure of the Seven Oaks Dam. The Seven Oaks Dam is located in unincorporated San Bernardino County northeast of the City of Highland. The Seven Oaks Dam is a feature of the Santa Ana River Mainstream Project. A study showed that storage of dam floodwater would provide a minimum average of about 10,000 acre-feet of water per year. The dam was designed to resist an earthquake measuring 8.0 on the Richter scale, with any point able to sustain a displacement of four feet without causing any overall structural damage.

Typically, hazards addressed within a General Plan are avoidable or manageable. They may only pose a risk to life and property if development is proposed in an area unsuitable for it, such as on an active or potential landslide, or saturated soils. Other hazards, such as earthquake-related hazards, settling, slippage, contraction, expansion, subsidence, and other land movement are inherent to life throughout much of California, and these must be addressed in ways which mitigate but cannot completely eliminate the risks associated with the hazard. The property may be constructed on fill or improperly compacted soil and may have inadequate drainage capability. Any of these issues can cause structural problems to improvements on the property. Civil or geotechnical engineers are best suited to evaluate soil stability, grading, drainage and other soil conditions. Additionally, the property may have unknown mines, mills, caves or wells. California is earthquake country and has experienced earthquakes in the past, and there is always a potential for future earthquakes. Damage caused by an earthquake, natural, or man-made hazard may not be discoverable by the visual inspections or natural hazard disclosure reports prepared during the transaction process. Inspection by a licensed, qualified professional is recommended to determine the development potential and/or the structural integrity and safety of all structures and improvements on the property.
Supplemental Flood Disclosures:
The subject property is in the following zones:

- **Urban Level of Flood Protection (ULOFP) 200-Year Flood Zone:** Not in
- **DWR 200-Year Floodplain (BAM):** Not in
- **DWR Levee Flood Protection Zone:** Not in
- **DWR Floodplain Awareness Zone:** Not in

Zone Explanations:

**Urban Level of Flood Protection (ULOFP) 200-Year Flood Zone:** The Urban Level of Flood Protection Criteria was developed in response to requirements from the Central Valley Flood Protection Act of 2008, enacted by Senate Bill (SB) 5 (2007), to strengthen the link between flood management and land use.

The ULOFP Zones only include the seven urban areas of Chico, Yuba City and Marysville, Woodland, Davis, West Sacramento, Sacramento area, Stockton and Lathrop, and Merced. A “Not in” disclosure either means the subject property is not within the urban area mapped, or it’s within the urban area but not within the 200-year flood zone.

The California Department of Water Resources (DWR) developed these criteria as a systematic approach to assist affected cities and counties within the Sacramento-San Joaquin Valley in making findings related to an urban level of flood protection before approving certain land-use decisions. In preparing these criteria, DWR used its broad expertise in flood management and planning to address concerns related to flood protection and flood risk management.

**Department of Water Resources (DWR) 200-Year Floodplain Best Available Maps (BAM):** The BAM floodplains identify potential flood risks that may warrant further studies or analyses for land use decisions. Senate Bill 5 (SB 5), which was enacted in 2007, authorized the California Department of Water Resources (DWR) to develop the Best Available Maps (BAM) displaying 100-year and 200-year floodplains for areas located within the Sacramento-San Joaquin River basin watershed. SB 5 requires that these maps contain the best available information on flood hazards and be provided to cities and counties in the SAC-SJ Valley watershed. This effort was completed by DWR in 2008. DWR has expanded the BAM to cover all counties in the State and to include 500-year floodplains. The California Department of Water Resources (DWR) has updated the Best Available Maps to display the latest floodplains in a web viewer located at [http://gis.bam.water.ca.gov/bam/](http://gis.bam.water.ca.gov/bam/). This additional flood information is included in County and City-level disclosures in this report as local jurisdictions begin to include these zones in their General Plans are updated.

**Department of Water Resources (DWR) Levee Flood Protection Zone:** The Levee Flood Protection Zone (LFPZ) maps were developed by DWR as required by Water Code Section 9130 to increase awareness of flood risks associated with State-Federal levees. The maps should not be confused with FEMA’s FIRMs used for the National Flood Insurance Program. They are not showing the same type of flood hazard and they were prepared for different purposes. LFPZ maps estimate the maximum area that may be flooded, if a State-Federal levee fails, with flows at maximum capacity that may reasonably be conveyed. These maps specifically focus on flood risks associated with State-Federal levees. Lands within the Levee Flood Protection Zone may also be subject to flooding due to other factors including, but not limited to, levee failure at flows less than design capacity, overtopping of a levee, drainage problems, or other types of flooding from sources on the land side of the levee.

**Department of Water Resources (DWR) Floodplain Awareness Zone:** The intent of the DWR’s Awareness Floodplain Mapping project is to identify all pertinent flood hazard areas by 2015 for areas that are not mapped under FEMA’s National Flood Insurance Program (NFIP) and to provide the community and residents an additional tool in understanding potential flood hazards currently not mapped as a regulated floodplain. The awareness maps identify the 100-year flood hazard areas using approximate assessment procedures. These floodplains are shown simply as flood prone areas without specific depths and other flood hazard data.
airport influence area disclosure

An Airport Influence Area represents the area in which current or future airport-related noise, over flight, safety, or airspace protection factors may significantly affect land uses or necessitate on those uses determined by an airport land use commission (ALUC) pursuant to Section 11010 of the Business and Professions Code, or Section 1103.4 or 1353 of the California Civil Code. These areas may also be known as “Airport Referral Areas.”

Airport Influence Area Disclosure

The subject property is:  
Not located within an Airport Influence Area.

Zone Explanations:

Airport Influence Areas (AIA) are determined by County Airport Land Use Commissions (ALUC). Typically, the size of an AIA is dependant on length of a runway, and whether or not larger jet aircraft take off and land at the facility. Certain County ALUC’s have not provided Airport Influence Area maps for their jurisdiction. In those situations, California Civil Code 1102.6a requires that a 2-mile airport proximity disclosure be used to satisfy the Airport Influence Area disclosure.

Even though a property may not be within a defined airport influence area, the property may still be subject to airplanes and other aircraft, commercial, private, or military flying overhead. Noise levels and types of noise that bother one person may be acceptable others.

military ordnance (formerly used defense sites) disclosure

California’s military ordnance disclosure is defined by California Civil Code 1102.15 as a requirement to disclose former federal or state locations once used for military training purposes which may contain potentially explosive munitions within a neighborhood area. A neighborhood area is defined as being within one mile of a property.

Military Ordnance Disclosure

The subject property is:  
Located within one mile of 2 formerly used defense sites:

Site 1 – San Bernardino Engineering Depot: The U.S. Army leased the site in 1940. It was used as a military storage and repair depot, dry cleaning facility, tent manufacturing facility, locomotive vehicle maintenance, storage, and fill mission for the Los Angeles Port of Embarkation. The Army terminated the leases on the site in various parcels from 1945 to 1948. The properties were returned to the original owners.

Site 2 – San Bernardino Chemical Weapons Storage Plant: The U.S. Army contracted plant operation to the Stove Company to produce army objects. Prior to WWII, the land was undeveloped and used for agricultural purposes. The Army contracted operation of the Plant (also referred to as the San Bernardino Loading Plant) to Western Stove Company. Military munitions were produced or demilitarized at this location and therefore may present an explosive hazard.

Zone Explanations:

Established by Congress in the mid-1990’s, the Formerly Used Defense Sites (FUDS) Program cleans up properties formerly owned, leased, possessed, or used by the military services. Properties included in the program range from privately owned property to National Parks, and can be located in industrial areas, residential developments, and public areas. The type of cleanup required varies from property to property but would likely include conducting building demolition and debris removal, cleanup of environmental contamination, radioactive waste, other common industrial waste, ordinance and/or other warfare material including chemical weaponry. Active military sites are not included on the FUDS list. Most FUDS do not contain unexploded ordnance. California Civil Code 1102.15 requires the disclosure of those sites containing unexploded ordnance.

For the purpose of this report, only sites that the United States Army Corps of Engineers (USACE) have determined as having hazards potential found (unless stated otherwise in detailed site description) are disclosed. For location purposes, a latitude/longitude coordinate is used unless detailed site boundary descriptions can be obtained. Certain sites that are former sites under the Base Realignment and Closure (BRAC) Act may also be included in this report.
megan’s law database disclosure

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

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.

California Department of Justice Information Sources:
Megan’s Law Sex Offender Locator Web Site: http://www.meganslaw.ca.gov
California Department of Justice Megan’s Law email address: meganslaw@doj.ca.gov

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

Megan’s Law Database Disclosure Contact Information:
The following law enforcement departments in your County that are required to make information available to the public are: San Bernardino County Sheriff’s Department: (909) 387-3545

Other Contact Information:
City of San Bernardino Police Department: (909) 384-5211
City of San Bernardino Police Department website: http://www.ci.san-bernardino.ca.us/depts/police_department/megans_law_search/ca_megans_law_website.asp

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

tsunami inundation disclosure

A tsunami is a wave, or series of waves, generated by an earthquake, landslide, volcanic eruption, or even large meteor hitting the ocean. The Japanese word tsu means “harbor”; nami means “wave”). What typically happens is a large, submarine earthquake (magnitude 8 or higher) creates a significant upward movement of the sea floor resulting in a rise or mounding of water at the ocean surface. This mound of water moves away from this center in all directions as a tsunami. A tsunami can travel across the open ocean at about 500-miles per hour, the speed of a jet airliner. As the wave approaches land and as the ocean shallows, the wave slows down to about 30 miles-per-hour and grows significantly in height (amplitude). Although most people think a tsunami looks like a tall breaking wave, it actually resembles a flood or surge. Tsunamis can cause great loss of life and damage to property, as learned in the 2004 Indian Ocean Tsunami which killed over 200,000 people in eleven different countries. The key to surviving a tsunami is to know what the warning signs are, and know what to do and where to go if you think a tsunami is about to strike.

More than eighty tsunamis have been observed or recorded in California in historic times. Fortunately, almost all of these were small and did little or no damage. Though damaging tsunamis have occurred infrequently in California, they are a possibility that must be considered in coastal communities.

Tsunami Inundation disclosure:
The subject property is:
Not located within a tsunami inundation area.

Zone Explanations:
The tsunami inundation line represents the maximum considered tsunami runup from a number of extreme, yet realistic, tsunami sources. Tsunami inundation line boundaries may reflect updated digital orthophotographic and topographic data that can differ significantly from contours shown on the base map.
The maps used for this disclosure were produced by the State of California in 2009 by the California Emergency Management Agency, California Geological Survey, and University of Southern California Tsunami Research Center, mapped at 1:24,000 scale. Maps, education material, and additional information can be viewed online at:
http://www.consrv.ca.gov/cgs/geologic_hazards/Tsunami/Inundation_Maps/Pages/Index.aspx
san bernardino county right to farm disclosure

Effective January 1, 2009, sellers must disclose to buyers if their property is located within one mile of farmland or ranch land as mandated by Civil Code Section 1103.4.

Right to Farm Disclosure:
The subject property is:
Located within one mile of farmland or ranchland designated as important Farmland.

Zone Explanations:
Important farmlands are defined as “Prime Farmland,” “Farmland of Statewide Importance,” “Unique Farmland,” “Farmland of Local Importance,” or “Grazing Land” on the most current “Important Farmland Map” issued by the California Department of Conservation, Division of Land Resource Protection, utilizing solely the county-level GIS map data, if any, available on the Farmland Mapping and Monitoring Program website.

Most counties and many cities in California have adopted Right to Farm ordinances which may discuss Right to Farm issues in greater detail. Note that properties more than one mile from designated farm or ranchland may also be adversely affected by agricultural activities. If the residential property is within one mile of a designated farmland area, the following notice is required to be disclosed:

NOTICE OF RIGHT TO FARM:
This property is located within one mile of a farm or ranch land designated on the current county-level GIS “Important Farmland Map,” issued by the California Department of Conservation, Division of Land Resource Protection. Accordingly, the property may be subject to inconveniences or discomforts resulting from agricultural operations that are a normal and necessary aspect of living in a community with a strong rural character and a healthy agricultural sector. Customary agricultural practices in farm operations may include, but are not limited to, noise, odors, dust, light, insects, the operation of pumps and machinery, the storage and disposal of manure, bee pollination, and the ground or aerial application of fertilizers, pesticides, and herbicides. These agricultural practices may occur at any time during the 24-hour day. Individual sensitivities to those practices can vary from person to person. You may wish to consider the impacts of such agricultural practices before you complete your purchase. Please be advised that you may be barred from obtaining legal remedies against agricultural practices conducted in a manner consistent with proper and accepted current standards pursuant to Section 3482.5 of the Civil Code or any pertinent local ordinance.

mining operations disclosure

Effective January 1, 2012, sellers must disclose to buyers if their property is located within one mile of a mine operation as mandated by Civil Code Section 1103.4.

Mining Operation Disclosure:
The subject property is:
Not located within one mile of a mine operation.

Zone Explanations:
The California Department of Conservation Office of Mine Reclamation is required to provide mine information to the general public. The data includes the mine name, point coordinate location, commodity sold, and whether the mine is active. Mine owners and operators are expected to provide this information to the Office of Mine Reclamation but it can not be guaranteed they have. If the property is within one mile of a designated mine operation, the following notice is required to be disclosed:

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

The California Department of Conservation Office of Mine Reclamation also maintains information on abandoned mines in California. The Abandoned Mine Lands Unit (AMLU) was created in 1997 to deal with the abandoned mines issue in California. The AMLU estimates that about 47,000 abandoned mines exist statewide with most presenting a physical safety or environmental hazard. For more information, please visit http://www.conservation.ca.gov/omr/abandoned_mine_lands/Pages/Index.aspx.

The California Department of Conservation Division of Oil, Gas and Geothermal Resources (DOGGR) oversees the drilling, operation, maintenance, and plugging and abandonment of oil, natural gas, and geothermal wells. For more information, please visit http://www.conservation.ca.gov/dog/Pages/index.aspx.
san francisco bay conservation and development (BCDC) disclosure
Effective July 1, 2005, sellers must disclose to buyers of their property is located within the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC) as mandated by Civil Code Section 1103.4. The BCDC has issued maps outlining most of their jurisdiction which includes tidal areas, certain waterways that empty into the bay, salt ponds, and the Suisun Marsh wetlands. Areas within 100-feet of mean high tide are also part of the BCDC jurisdiction, but are not included on the maps. Due to the inadequate scale of available maps, there is some uncertainty regarding this disclosure. Based on a February 2005 memo circulated by the BCDC, the recommendation was made to indicate that a property “could be within” in borderline cases, and that the BCDC be consulted to make a location-specific determination.

BCDC Disclosure:
The subject property is:
Not in the jurisdiction of the San Francisco Bay Conservation and Development Commission.

Zone Explanations:
The BCDC is the federally-designated state coastal management agency for San Francisco Bay and has jurisdiction in the greater San Francisco Bay Area to administer the State’s McAteer-Petris Act (the key legal provision under California state law to preserve San Francisco Bay from indiscriminate filling), the San Francisco Bay Plan, and the Suisun Marsh Preservation Act. The BCDC’s primary roles in wetlands management in the Bay are planning the protection, enhancement, and restoration of wetlands, and balancing the protection of wetlands against other often high priority objectives. All projects proposed in tidal wetlands within the BCDC’s jurisdiction require an approved BCDC permit before proceeding.

endangered species disclosure
The California Endangered Species Act (CESA) (Fish and Game Code Sections 2050 to 2097) is administered by the California Department of Fish and Game and prohibits the take of plant and animal species designated by the Fish and Game Commission as either threatened or endangered in the state of California. “Take” in the context of the CESA means to hunt, pursue, kill, or capture a listed species, as well as any other actions that may result in adverse impacts when attempting to harass, injure, or kill a listed species.

Compliance with the CESA may be required for proposed development and projects. Listed species change from time to time and the species listed may not represent a current comprehensive list of protected species. Significant civil and criminal penalties, including fines and jail sentences, may be imposed upon individuals who “take” a listed species without appropriate permits and without California Department of Fish and Games approval.

Due to the large numbers of birds, reptiles, amphibians, fish, invertebrates, mammals, and plants that are considered endangered, threatened or proposed and their complex and ever changing habitat areas, it is prudent for individuals to consult with the U.S. Fish and Wildlife Service to investigate the possibility of endangered species in your area. Information about County specific endangered species can be found on the U.S. Fish & Wildlife Service web site at: https://www.fws.gov/endangered/. Select the state of California and your County to get detailed information.

radon zone disclosure
Radon is a naturally occurring radioactive gas which comes from the natural breakdown of uranium in soil, rock and water and gets into the air one breathes. Radon is odorless, tasteless, and colorless, and could be a potential problem in any home. Radon is regarded as the second leading cause of lung cancer following smoking. Radon can be found throughout the United States and can get into any type of building-homes, offices, and schools-and result in a high indoor radon level. For additional information, please visit the U.S. Environmental Protection Agency (EPA) Indoor Air Quality website at www.epa.gov/iaq/whereyoulive.html. The California Department of Health Services provides a radon message line at (800)745-7326. For information for California, please visit: http://www.conservation.ca.gov/cgs/minerals/hazardous_minerals/radon#interactivemap.

The United States EPA and the United States Geological Survey (USGS) have evaluated the radon potential in the United States and have developed a County-specific map to assist local organizations to target their resources and to assist building code officials in deciding whether radon-resistant features are applicable in new construction.

Radon disclosure:
The subject property is:
San Bernardino County is located in Radon Zone 2: Moderate Potential

Zone Explanations:
Radon levels are measures in picocuries per liter (pCi/L) of air, a measurement of radioactivity. The U.S. EPA and the Centers for Disease Control and Prevention recommend that homes with radon levels 4 pCi/L or greater, be mitigated. The map is not intended to be used to determine if an individual home is in a particular zone, but is intended to show which zone designation a particular County is located in:
Zone 1: Highest Potential (greater than 4 pCi/L)
Zone 2: Moderate Potential (from 2 to 4 pCi/L)
Zone 3: Low Potential (less than 2 pCi/L)
naturally occurring asbestos disclosure

Exposure to asbestos may create a significant health risk, and the presence of asbestos-bearing minerals may result in restrictions on the use or development of the property. Asbestos is classified as a known human carcinogen by state, federal, and international agencies and was identified by the Air Resources Board (ARB) as a toxic air contaminant in 1986. Naturally occurring asbestos minerals belong to either the serpentine mineral group or the amphibole mineral group. The most common type of asbestos found in California is chrysotile, a serpentine mineral.

The risk of disease depends upon the intensity and duration of exposure. Exposure to low levels of asbestos for short periods of time likely poses minimal risk. Asbestos fibers can penetrate body tissues and remain in the lungs and the tissue lining of the lungs and abdominal cavity. The fibers that remain in the body are thought to be responsible for asbestos-related disease. The illnesses caused by asbestos may not be observed for twenty or more years. The most common serious diseases caused by asbestos are asbestosis (a non-cancerous lung disease), lung cancer, and mesothelioma (cancer of the thin membranes lining the lungs, chest, and abdominal cavity).

Zonal Explanations:

Naturally Occurring Asbestos Disclosure:
The subject property is:
Not located in a zone of ultramafic rock more likely to contain naturally occurring asbestos.

mold addendum

The buyer and seller are advised that the presence of mold, fungi, mildew, or other organisms, sometimes referred to as “toxic mold” (collectively “mold”) may adversely affect the property and the health of those 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. The seller is advised to disclose the existence of any such condition of which he or she is aware. The buyer should carefully review all of the seller’s disclosures for any indication that any of the conditions exist. It is, however, possible that mold may exist and that the seller is completely unaware of its existence. In addition, mold is often undetectable from a visual inspection, professional property inspection and even a structural pest control inspection. Brokers do not have expertise in this area. If the buyer requests additional information, it may be necessary to have the property tested for mold by an environmental hygienist or other appropriate professional during the buyer’s inspection contingency period. Not all inspectors are licensed and licenses are not available for all mold inspection facilities.

Additional information regarding mold is found in Chapter VI of the booklet Environmental Hazards: A Guide for Homeowners, Buyers, Landlords and Tenants. Additional information is available from the California Department of Health Services Indoor Air Quality Section fact sheet entitled “Mold In My Home: What Do I Do?” The fact sheet is available at www.cal-iaq.org or calling (510) 540-2476.

methamphetamine contamination disclosure

Due to the passage of Assembly Bill 1025 (Methamphetamine Contaminated Property Cleanup Act of 2005), it is now required for a property owner to disclose in writing to a prospective buyer or tenant if local health officials have issued an order prohibiting the use or occupancy of a property contaminated by methamphetamine laboratory activity. The owner must also give a copy of the pending order to the buyer or tenant to acknowledge receipt in writing. The bill also establishes remediation and re-occupancy standard for determining when a property, contaminated as a result of methamphetamine activity, is safe for human occupancy. Local health officials, after conducting an investigation, are also required to issue an order prohibiting the use or occupancy and to post the order on the property, in addition to the property owner to take specific actions. Failure to comply with these, and all requirements of AB 1025, may subject an owner to, among other things, a civil penalty up to $5000. Aside from disclosure requirements, AB 1025 also outlines procedures for local authorities to deal with methamphetamine contaminated properties, including filing of a lien against a property until the owner cleans up contamination or pays for cleanup costs.

commercial & industrial zoning disclosure

California Civil Code Section 1102.17 states the seller of residential real property who has actual knowledge that the property is adjacent to, or zoned to allow, an industrial use as described in Section 731a of the Code of Civil Procedure or affected by a nuisance created by such a use, shall give written notice of that knowledge before transfer of title. Section 731a of the Code of Civil Procedure states that any city, city and county, or county shall have established zones or districts under authority of law wherein certain manufacturing or commercial or airport uses are expressly permitted. The commercial/industrial zoning disclosure is designed as a seller’s “actual knowledge” disclosure and is part of the residential purchase agreement contract. For most residential properties, there are various forms of commercial or industrially zoned property within a nearby proximity including gas stations, shopping centers, restaurants, golf courses, grocery stores, etc. that could adversely affect or possibly enhance a particular desirability of a property.
sustainable groundwater management act (SGMA)/california drought advisory

On September 16, 2014, a three-bill legislative package collectively known as the Sustainable Groundwater Management Act (SGMA) was signed into law. SGMA requires governments and water agencies of high and medium priority basins to halt overdraft and bring groundwater basins into balanced levels of pumping and recharge. Under SGMA, these basins should reach sustainability within 20 years of implementing their sustainability plans. For critically over-drafted basins, that will be 2040. For the remaining high and medium priority basins, 2042 is the deadline. SGMA fundamentally changes the way groundwater is regulated in the state. Restrictions on use of groundwater are likely to have severe impacts on farms and ranches. More information can be found at: https://water.ca.gov/Programs/Groundwater-Management/SGMA-Groundwater-Management

California is prone to droughts which can have profound effects to the economy and lifestyles. Prolonged drought could increase the cost of living and have negative impacts on daily life. Other impacts include lower groundwater tables and land subsidence. Land subsidence is a gradual settling or sudden sinking of the Earth’s surface owing to subsurface movement of earth materials. Excessive groundwater pumping and aquifer depletion can cause land to sink, which can cause permanent loss of groundwater storage in the aquifer system and infrastructure damage. In coastal communities, the reversal of natural groundwater flows to the ocean as a result of groundwater pumping can cause seawater to enter the aquifer system. Seawater intrusion compromises groundwater quality and can be a costly problem to manage. For more information, please follow the links provided below:

California Water Conservation: http://saveourwater.com/
Groundwater Information Center: http://www.water.ca.gov/groundwater/MAP_APP/
Reservoir Storage Information: http://cdec.water.ca.gov/cgi-progs/reservoirs/RES

water conserving plumbing fixture replacement advisory

Senate Bill 407 establishes requirements for residential and commercial real property built and available for use on or before January 1, 1994, for replacing plumbing fixtures that are not water conserving. The law requires that single-family homes to have all noncompliant plumbing fixtures retrofitted with more efficient models by 2017, and as a result of current remodels or home alterations. The law also requires that any property to discard or install non-compliant plumbing, a seller or transferor of most types of real property to disclose to a purchaser or transferee, in writing, the requirements for replacing plumbing fixtures and whether the real property includes noncompliant plumbing. This law also applies to commercial property beginning in 2019. For more information, please visit: http://saveourwater.com/

seasonal energy efficiency rating (SEER) advisory

Replacement or repairs of certain systems or portions of the subject property, may trigger requirements that homeowners comply with laws and regulations that came into effect after close of escrow or are not required to be complied with until the replacement, resulting in increasing costs to repair existing features. In particular, changes to state and federal energy efficiency regulations impact the installation, replacement and service of heating and air conditioning units (HVAC). 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% must be repaired to reduce leaks. More information is available at the California Energy Commission’s website www.energy.ca.gov/title24/changeout.

gas and hazardous liquid transmission pipeline disclosure

Effective July 1, 2013, sellers must disclose to buyers a specific notice pertaining to gas and hazardous liquid transmission pipelines as mandated by Civil Code Section 2079.10.5.

NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:

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

Mapped information and data through the National Pipeline Mapping System (NPMS) consists of gas transmission pipelines, hazardous liquid trunklines, liquefied natural gas (LNG) plants, and breakout tanks (tanks used to relieve surges in hazardous liquid pipelines). The NPMS does not contain information on interconnects, pump and compressor stations, valves, direction of flow, capacity, throughput, operating pressure, or gathering or distribution pipelines, such as lines which deliver gas to a customer’s home. Therefore, not all pipelines in an area will be visible in the Public Map Viewer. Distribution of detailed NPMS data is handled for the Pipeline and Hazardous Materials Safety Administration (PHMSA) by the National and repository and is limited to pipeline operators and local, state, and federal government officials. Neither the United States Government nor any party involved in the creation and compilation of NPMS data and maps guarantees the accuracy or completeness of the products. NPMS data has a target accuracy of +/- 500 feet and resides in geographic coordinates. NPMS data must never be used as a substitute for contacting the appropriate local one-call center prior to digging. Please call 811 before any digging occurs.
California high-speed rail advisory

The approval by California voters of Proposition 1A in 2008 authorized the funding of a high-speed rail system in California and the creation of the California High-Speed Rail Authority, the entity responsible for planning, constructing and operating this Rail System, intended to link various cities up and down the state.

The exact route that the proposed Rail System would take and how its construction and operation might affect surrounding communities have been the subject of considerable concern and debate. Along with its benefits, possible negative impacts of the Rail System could include, without limitation, noise, dust, traffic interruption, street closures and/or configurations, visual impacts, possible diminution of property values and other consequences on a particular neighborhood. Precisely what impact, if any, the Rail System would have on any particular piece of real property either before, during or after construction and placement in operation is unknown; certainly it will affect people and properties differently.

Real estate agents are not experts regarding the Rail System, and prospective buyers are advised to investigate and satisfy themselves in regard thereto during property inspection contingency periods. Important information about the Rail System may be obtained by contacting the Authority directly or by visiting the website http://www.cahighspeedrail.ca.gov.

HomeGuard terms and conditions

This report prepared by HomeGuard, Inc. provides a service intended for the individual use of the property seller, property buyer, and real estate professionals involved in this transaction. This report is not designed to act as an insurance policy or intended to act as an evaluation of how the structure or property will react in the event of a flood, fire, earthquake, or act of disaster, natural or otherwise. If any party related to the transaction has concerns regarding the structural integrity, stability, condition of the structure and/or property, an appropriate professional is recommended to be retained to evaluation the condition. This report is not based on an on-site inspection of the property of any type and is not designed as a substitute for an agent/broker’s on-site inspection, required seller actual knowledge disclosures, or any other type of inspection by a qualified professional. A visual inspection or examination was conducted at the subject property nor was any research done above and beyond the usage of referenced maps or ordinances used in this report.

This report can only be relied upon for the property in which it is intended for since it entirely possible that an adjacent property may lie in different zones. Also, the report can not be used for future transactions of the same property since due to changes in mapped information, data, assessors parcel number, lot line adjustments, or other changes the information provided in this report may change after the date this report was prepared. HomeGuard, Inc. is not responsible for notifying parties of changes in information after the date of this report. As a courtesy, HomeGuard, Inc. will provide an update at no cost to the appropriate parties during the transaction process. Reproduction of this report is permitted by parties of the transaction only for the purpose of fulfilling duties for the real estate transaction. Any other alteration, reproduction, delivery, or republication of this report is prohibited. HomeGuard, Inc. will assume no liability unless this report is paid for in full by close of escrow.

This report can only be prepared for a single property if all of the following conditions are met: (1) the properties are contiguous, (2) the properties are all within the same zones, (3) if no California Tax Data Report is included, (4) if no Environmental Report is included, and (5) are part of the same real estate transaction by the same seller and buyer.

If the required maps used in this report are not of sufficient accuracy or scale in which a confident determination can be made, it advised by state legislation that the property be considered “in” the relative hazard zone. HomeGuard, Inc. uses current assessor’s maps, street maps, tract maps, plat maps, topographic maps, and digital street and cadastral maps to accurately determine the location and coordinates of the subject property. Any errors in these referenced sources may affect the determination procedure. HomeGuard, Inc. uses the following maps and/or digital data for the purpose of this report: California Geological Survey (CGS) Seismic Hazard Maps; CGS Alquist-Priolto Earthquake Fault Zone Maps; Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRM) and Letters of Map Revisions or Amendments where reasonably available; Office of Emergency Services (OES) Dam Inundation Maps; California Department of Conservation Important Farmland Maps; California Department of Conservation Mining Operations data; California Department of Forestry (CDF) real estate disclosure fire maps showing State Responsibility Areas and Very High Fire Hazard Severity Zones; CGS Tsunami Inundation Maps; Airport Influence Area Maps from County Airport Land Use Commissions; certain mapped and/or located Formerly Used Defense Sites from the US Army Corps of Engineers; CGS Naturally Occurring Asbestos Maps; Environmental Protection Agency Radon Zone Map; San Francisco Bay Conservation and Development Commission Maps; and various maps from local City and County jurisdictions that are adopted as part of their Seismic Safety (or similar) Element General Plans.
ERIS Environmental Hazard Report

<table>
<thead>
<tr>
<th>Property Address:</th>
<th>Date:</th>
</tr>
</thead>
</table>
| 1589 Fullerton Drive  
San Bernardino, CA 92407 | February 6, 2020 |
| APN:             | 0266-371-28-0000 |

The ERIS Environmental Hazard Report is a search of environmental information for the specific address above and the neighboring area. Environmental data sources have been grouped into 4 categories, each with different search distances applied from the subject property.

4 Environmental Categories:

- **Sites Investigated for Environmental Concerns**: Sites that either are identified as having known environmental concerns/contamination, or sites that have been identified for investigation to determine the existence or extent of environmental concerns/contamination. This category comprises a number of varying government data sources searched from 1/2 to 1 mile.

- **Landfills and Waste Processing Sites**: Sites identified as regulated landfills or sites that receive or process solid or hazardous waste searched to 1/2 mile.

- **Clandestine Drug Lab Sites**: Sites identified as clandestine drug laboratory sites or sites where drug-manufacturing chemicals were produced and seized. These sites are searched to 1/8 mile.

- **Oil and Gas Well Sites**: A list of oil and gas well locations searched to a 1/4 mile.

### Summary of Findings

The following is a summary of information found for: **1589 Fullerton Drive, San Bernardino, CA, 92407**

<table>
<thead>
<tr>
<th>Sites Found</th>
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<th>Category</th>
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</table>
Property Address: 1589 Fullerton Drive, San Bernardino, CA, 92407
## Section 1: Sites Investigated for Environmental Concerns

Refer to the Category Descriptions section for more information about the source(s) including definitions and contact information.

### EnviroStor Database:

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</tr>
<tr>
<td>CAMP ONO POW</td>
<td>SAN BERNARDINO</td>
<td>3070 ft W</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Estor/EPA ID</td>
<td>Cleanup Status:</td>
<td>INACTIVE - NEEDS EVALUATION AS OF 7/1/2005</td>
</tr>
<tr>
<td>PROPOSED LITTLE MOUNTAIN ELEMENTARY SCHOOL</td>
<td>SW CORNER OF LITTLE MOUNTAIN DRIVE AND 48TH STREET, SAN BERNARDINO, 92410</td>
<td>3864 ft E</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Estor/EPA ID</td>
<td>Cleanup Status:</td>
<td>NO FURTHER ACTION AS OF 5/8/2008</td>
</tr>
</tbody>
</table>

### National Priority List:

<table>
<thead>
<tr>
<th>Company/Site</th>
<th>Address</th>
<th>Distance from property/Dir.</th>
<th>Map Key</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEWMARK GROUND WATER CONTAMINATION</td>
<td>BUNKER HILL GROUND WATER BASIN, SAN BERNARDINO, 92408</td>
<td>19585 ft SSE</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>EPA ID: CAD981454517</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CERCLIS - No Further Remedial Action Planned:** 0 Record(s) Found within 1/2 mile

**Comprehensive Environmental Response, Compensation and Liability Information System - CERCLIS:** 0 Record(s) Found within 1/2 mile

**Deleted NPL:** 0 Record(s) Found within 1 mile

**Delisted Leaking Storage Tanks:** 0 Record(s) Found within 1/2 mile

**Delisted State Response Sites:** 0 Record(s) Found within 1 mile

**GeoTracker Cleanup Program Sites:** 0 Record(s) Found within 1/2 mile
Leaking Underground Fuel Tank Reports: 0 Record(s) Found within 1/2 mile

Leaking Underground Storage Tanks (LUSTs) on Indian Lands: 0 Record(s) Found within 1/2 mile

National Priority List - Proposed: 0 Record(s) Found within 1 mile

Proposed Closure of Underground Storage Tank Cases: 0 Record(s) Found within 1/2 mile

RCRA CORRACTS-Corrective Action: 0 Record(s) Found within 1 mile

SEMS List 8R Active Site Inventory: 0 Record(s) Found within 1/2 mile

SEMS List 8R Archive Sites: 0 Record(s) Found within 1/2 mile

State Response Sites: 0 Record(s) Found within 1 mile

---

**Section 2: Landfills and Waste Processing Sites**

Refer to the Category Descriptions section for more information about the source(s) including definitions and contact information.

**RCRA non-CORRACTS TSD Facilities:** 2 Record(s) Found within 1/2 mile

<table>
<thead>
<tr>
<th>Company/Site</th>
<th>Address</th>
<th>Distance from property/Dir.</th>
<th>Map Key</th>
</tr>
</thead>
<tbody>
<tr>
<td>RALPHS NO 0753 703</td>
<td>4444 UNIVERSITY PKWY, SAN BERNARDINO, 92407-0000</td>
<td>2106 ft W</td>
<td>1</td>
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<tr>
<td></td>
<td><em>EPA Handler ID:</em> CAR000244830</td>
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<td></td>
</tr>
<tr>
<td>ECONO AUTO SERVICE</td>
<td>1685 KENDALL DR, SAN BERNARDINO, 92407</td>
<td>2316 ft NNW</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td><em>EPA Handler ID:</em> CAL000446194</td>
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<td></td>
</tr>
</tbody>
</table>

**EPA Report on the Status of Open Dumps on Indian Lands:** 0 Record(s) Found within 1/2 mile

**Inventory of Open Dumps, June 1985:** 0 Record(s) Found within 1/2 mile

**Land Disposal Sites:** 0 Record(s) Found within 1/2 mile

ERIS Information Inc.
Sites Listed in the Solid Waste Assessment Test (SWAT) Program Report: 0 Record(s) Found within 1/2 mile

Solid Waste Disposal Sites with Waste Constituents Above Hazardous Waste Levels: 0 Record(s) Found within 1/2 mile

Solid Waste Information System (SWIS): 0 Record(s) Found within 1/2 mile

Section 3: Clandestine Drug Lab Sites

Refer to the Category Descriptions section for more information about the source(s) including definitions and contact information.

Clandestine Drug Lab Sites: 0 Record(s) Found within 1/8 mile

National Clandestine Drug Labs: 0 Record(s) Found within 1/8 mile

Section 4: Oil and Gas Well Sites

Refer to the Category Descriptions section for more information about the source(s) including definitions and contact information.

Oil and Gas Wells: 0 Record(s) Found within 1/4 mile

Unlocated Sites

These are records that could not be mapped due to limited address information from the government agency collecting the data. These records may or may not be in your study area, and are included as reference.

No unlocated sites were found that may be relevant for the search criteria.
Environmental Category Descriptions

Environmental information investigated for the ERIS Environmental Hazard Report are listed below by category for only the data sources that have been found for this report. Categories may contain several data sources collected from various government and private agencies across the United States.

Section 1: Sites Investigated for Environmental Concerns

EnviroStor Database

EnviroStor is the Department of Toxic Substances Control's data management system for tracking our cleanup, permitting, enforcement and investigation efforts at hazardous waste facilities and sites with known contamination or sites where there may be reasons to investigate further.

The following definitions are provided for EnviroStor Site statuses:

ACTIVE: Identifies that an investigation and/or remediation is currently in progress and that DTSC is actively involved, either in a lead or support capacity.

BACKLOG: Identifies non-active sites which DTSC is not currently investigating or remediating. These sites generally become active when staff and/or financial resources are available.

BORDER ZONE/HAZ WASTE PROPERTY (BZP/HWP): Potential Border Zone properties are located within 2,000 feet of a significant disposal of hazardous waste; Hazardous Waste Property facilities/sites have a significant disposal of hazardous waste.

CERTIFIED: Identifies completed sites with previously confirmed release that are subsequently certified by DTSC as having been remediates satisfactorily under DTSC oversight.

CERTIFIED - LAND USE RESTRICTIONS ONLY: Identifies sites where a remedy is implemented and the selected remedy results in hazardous substances remaining at the site at concentrations above those acceptable for unrestricted use and a Land Use Restriction or Land Use Covenant has been recorded for the site.

CERTIFIED / OPERATION & MAINTENANCE: Identifies sites that have certified cleanups in place but require ongoing Operation and Maintenance (O&M) activities

CERTIFIED O&M - LAND USE RESTRICTIONS ONLY: Identifies facilities/sites that went through the Border Zone Property (BZP) or Hazardous Waste Property (HWP) process and entered into voluntary deed restrictions, but were not formally designated as either a "Border Zone" or "Hazardous Waste Property"

INACTIVE - ACTION REQUIRED: Identifies non-active sites where, through a Preliminary Endangerment Assessment (PEA) or other evaluation, DTSC has determined that a removal or remedial action or further extensive investigation is required.

INACTIVE - NEEDS EVALUATION: Identifies non-active sites where DTSC has determined a PEA or other evaluation is required.

NO ACTION REQUIRED: Identifies sites where a Phase I Environmental Assessment was completed and resulted in a no action required determination.

NO FURTHER ACTION: Identifies completed sites where DTSC determined after investigation, generally a PEA (an initial assessment), that the property does not pose a problem to public health or the environment.

REFER: 1248 LOCAL AGENCY: Identifies sites that were referred to a local agency (through the SB 1248 determination process) to supervise the cleanup of a simple waste release.

REFER: EPA: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by the United States Environmental Protection Agency (U.S. EPA).

REFER: IWMB: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by the California Integrated Waste Management Board (IWMB).

REFER: LOCAL AGENCY: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately
addressed by another state or local environmental regulatory agency.

REFER: OTHER AGENCY: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by DTSC’s Hazardous Waste Management Program and are identified as Resource Conservation and Recovery Act (RCRA). REFER: RCRA: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by the California Regional Water Quality Control Boards (RWQCBs).

More information about Envirostor Sites can be found by searching the Department of Toxic Substances Control's EnviroStor database at: https://www.envirostor.dtsc.ca.gov/public/.

For general assistance in searching or utilizing the EnviroStor database please contact: The EnviroStor Help Desk envirostor@dtsc.ca.gov, 1-877-786-9427.

**National Priority List**

The Environmental Protection Agency (EPA)'s Superfund program works to protect public health and the environment by cleaning up some of the nation's most contaminated land, and responding to environmental emergencies, oil spills and natural disasters. After the identification of a site where there has been a potential or confirmed release of hazardous substances, a series of assessments evaluate the potential need for environmental cleanup, based on a Hazard Ranking System (HRS). The HRS considers the likelihood that a site has released or has the potential to release hazardous substances into the environment; the characteristics of the waste (e.g. toxicity and waste quantity); and people or sensitive environments (targets) affected by the release.

The National Priorities List (NPL) serves primarily informational purposes, identifying for the States and the public those sites or other releases that appear to warrant remedial actions. The NPL is the list of sites of national priority among the known releases or threatened releases of hazardous substances, pollutants, or contaminants.

Information about National Priority List sites can be found by searching the NPL list of sites at https://www.epa.gov/superfund/national-priorities-list-npl-sites-state, or https://www.epa.gov/superfund/search-superfund-sites-where-you-live. Each site’s webpage has contact information for a Community Involvement Coordinator and/or Remedial Project Manager who can be contacted for further questions about the specific site.

**Section 2: Landfills and Waste Processing Sites**

**RCRA non-CORRACTS TSD Facilities**

The Resource Conservation and Recovery Act (RCRA) gives EPA the authority to control hazardous waste from the "cradle-to-grave". This includes the generation, transportation, treatment, storage, and disposal of hazardous waste. Treatment, Storage, and Disposal Facilities (TSDFs) receive hazardous wastes for treatment, storage or disposal. Treatment includes the use of processes, such as incineration or oxidation, to alter the character or composition of hazardous wastes. Storage refers to temporarily holding hazardous wastes until they are treated or disposed. Hazardous waste is commonly stored prior to treatment or disposal, and must be stored in containers, tanks, containment buildings, drip pads, waste piles, or surface impoundments that comply with the Resource Conservation and Recovery Act (RCRA) regulations. Disposal refers to permanently containing hazardous wastes. The most common type of disposal facility is a landfill, where hazardous wastes are disposed of in carefully constructed units designed to protect groundwater and surface water resources.

Information about RCRA TSDF sites can be found by using the RCRAInfo search at: https://www3.epa.gov/enviro/facts/rcrainfo/search.html.
Disclaimer and Liability Notice

This Report (1) does not provide a full environmental evaluation for the site or adjacent properties, (2) was not field validated and (3) does not replace a property condition assessment. It is provided pursuant to the provisions of your agreement with ERIS Information Inc. (ERIS) and the following provisions:

Reliance on information in Report: This Report is only an overview of the potential environmental perils associated with the site. For a fuller evaluation of such perils, a Standard Database Report is recommended in conjunction with an opinion from a qualified environmental professional.

License for use of Information in Report: This Report may be used for its intended purposes as a component of the Natural Hazard Disclosure Report. The data and other information in this Report (Data) may not be modified or transferred to a third party without the prior written consent of ERIS.

Your Liability for Misuse: Using the ERIS report in a manner contrary to this Notice may infringe the intellectual property rights of ERIS and ERIS may obtain damages for such misuse, including damages incurred by ERIS or a third parties and give ERIS the right to exercise any rights and remedies available under applicable law.

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This report satisfies the seller’s obligation, pursuant to Civil Code Section 1102.6b, to disclose all special tax and/or assessment districts affecting the subject property.

This Report Prepared Especially For:

HomeGuard Incorporated

Address: 1589 FULLERTON DR, SAN BERNARDINO

Your #1 Source for Property Tax Information
PROPERTY TAX DISCLOSURE REPORT FOR:

Property Address: 1589 FULLERTON DR, SAN BERNARDINO

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NOTICE OF SPECIAL TAX AND ASSESSMENT

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 0266371280000
Property Address or Legal Description: 1589 FULLERTON DR, SAN BERNARDINO
Report Date: 2/6/2020

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

1. MELLO-ROOS COMMUNITY FACILITIES DISTRICTS

Mello-Roos Community Facilities Districts ("CFD") provide a method of financing certain public capital facilities and services especially in developing areas and areas undergoing rehabilitation. Public improvements funded by Mello-Roos CFDs may include, but are not limited to, roads, schools, water, sewer and storm drain facilities. Public services funded by Mello-Roos CFDs may include, but are not limited to, police and fire protection services, recreation program services, and flood or storm protection services. Mello-Roos CFDs commonly fund the construction of public improvements through the issuance of bonds. A special tax lien is placed on property within the district for the annual payment of principal and interest as well as administrative expenses. Typically, the annual special tax continues until the bonds are repaid, or until special taxes are no longer needed. Mello-Roos special tax rates may increase each year. In most instances but not all, the special tax is collected with regular property taxes

Properties located within a Mello-Roos Community Facilities District are subject to a special tax, which is in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. This special tax may not be imposed on all parcels within the city or county where the property is located. The special tax is used to provide public facilities or services that are likely to particularly benefit the property.

THIS PROPERTY IS NOT SUBJECT TO MELLO-ROOS COMMUNITY FACILITIES DISTRICT SPECIAL TAX LIEN(S).

2. 1915 BOND ACT ASSESSMENT DISTRICTS

1915 Bond Act assessment districts provide a method of financing certain public capital facilities. Public improvements funded by 1915 Bond Act districts may include, but are not limited to, roads, sewer, water and storm drain systems, and street lighting. 1915 Bond Act assessment districts commonly fund the construction of public improvements through the issuance of bonds. A special assessment lien is placed on property within the assessment district. The lien amount is calculated according to the specific benefit that individual property receives from the improvements and is amortized over a period of years. 1915 Bond Act assessments can be prepaid at any time. In most instances but not all, the assessment is collected with regular property taxes.

Properties within a 1915 Bond Act assessment district are subject to annual assessment installments (a Mello-Roos Community Facilities District special tax and the 1915 Bond Act Assessment District annual assessment installments are hereinafter collectively referred to as "Special Liens"), which are in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. The assessment district issues bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within the assessment district. The bonds will be repaid from annual assessment installments on property within the assessment district. The special assessment is used to provide public facilities that are likely to particularly benefit the property.

THIS PROPERTY IS NOT SUBJECT TO IMPROVEMENT BOND ACT OF 1915 SPECIAL ASSESSMENT LIEN(S).

MELLO-ROOS COMMUNITY FACILITIES DISTRICT SPECIAL TAXES AND THE 1915 BOND ACT ASSESSMENT DISTRICT ANNUAL ASSESSMENT INSTALLMENTS ARE HEREINAFTER COLLECTIVELY REFERRED TO AS "SPECIAL LIENS." IF SPECIAL LIENS DESCRIBED ABOVE ARE NOT PAID WHEN DUE, FORECLOSURE PROCEEDINGS MAY BE INITIATED AT ANY TIME, AFTER PROPERTY TAXES BECOME DELINQUENT. YOUR PROPERTY MAY BE SOLD FOR THE DELINQUENT AMOUNTS, EARLIER THAN WITH REGULAR PROPERTY TAXES.
NOTICE OF SPECIAL TAX AND ASSESSMENT (continued)

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 0266371280000
Property Address or Legal Description: 1589 FULLERTON DR, SAN BERNARDINO
Report Date: 2/6/2020

THE INFORMATION PROVIDED IN THIS REPORT WAS PREPARED BY CALIFORNIA TAX DATA ("CTD") AND IS SUBJECT TO THE TERMS AND CONDITIONS CONTAINED HEREIN. THE PURPOSE OF THIS REPORT IS TO ASSIST THE SELLER IN FULFILLING HIS OR HER LEGAL DISCLOSURE REQUIREMENT PURSUANT TO CALIFORNIA CIVIL CODE § 1102.6B. THIS REPORT WAS COMPILED USING INFORMATION OBTAINED FROM THE COUNTY, VARIOUS GOVERNMENTAL AGENCIES AND THIRD PARTIES. CTD IS NOT RESPONSIBLE FOR ANY INACCURACIES OR OMISSION IN THE PUBLIC RECORDS OF THE COUNTY, VARIOUS GOVERNMENTAL AGENCIES OR FOR INFORMATION PROVIDED BY THIRD PARTIES. THIS REPORT IS NOT A SUBSTITUTE FOR A TITLE REPORT OR TITLE INSURANCE AND MAY NOT BE RELIED UPON AS SUCH.
NOTICE OF FIRE PREVENTION FEE (ABx1 29)

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 0266371280000
Property Address or Legal Description: 1589 FULLERTON DR, SAN BERNARDINO
Report Date: 2/6/2020

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

IMPORTANT NOTICE

*** The Fire Prevention Fee has been suspended as of July 1, 2017. On July 25, 2017, Governor Edmund G Brown signed Assembly Bill 398, which suspended the State Responsibility Area (SRA) Fire Prevention Fee until 2031. ***

The State of California authorized a new State Responsibility Fire Prevention Fee (FPF) to be assessed on each habitable structures located within State Responsibility Areas (SRA). The FPF will be collected in order to pay for fire prevention activities and to protect structures that fall within the SRA. The State Board of Forestry and Fire Protection (State Board) has established the FPF in an amount not to exceed $152.33 to be assessed on each habitable structure located within the SRA. The FPF will be adjusted annually by the State Board, beginning July 1, 2013, to reflect the percentage of chance in the average annual value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services. The State Responsibility Area (SRA) is the area of the state where the State of California is financially responsible for the prevention and suppression of wildfires.

Fire Prevention Maximum Fee (per each habitable structure located within State Responsibility Areas) \( \ldots \ldots \ldots \$0.00 \)

Commencing with the 2011-12 fiscal year, the Board of Equalization (BOE) is required to annually assess and collect the FPF on behalf of the Department of Forestry and Fire Protection (CAL FIRE) in accordance with the Fee Collection Procedures Law. CAL FIRE is responsible for providing the BOE with a list identifying the names and addresses of persons who are liable for the FPF and the amount of the fee(s) to be assessed. In addition to assessing the FPF, the BOE is responsible for registering and maintaining fee payer accounts, issuing refunds, adjusting liabilities and performing fee collection duties. CAL FIRE is responsible for evaluating all petitions and claims for refunds submitted in regard to the FPF assessed.

*If the habitable structure is within the boundaries of a local agency that provides fire protection services, the owner will receive a $35.00 reduction for each habitable structure.

THIS PROPERTY IS NOT SUBJECT TO FIRE PREVENTION FEE (ABx1 29).
NOTICE OF SUPPLEMENTAL TAX BILL

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 0266371280000
Property Address or Legal Description: 1589 FULLERTON DR, SAN BERNARDINO
Report Date: 2/6/2020

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

On July 1, 1983, California State law was changed to require the reassessment of property following a change of ownership or the completion of new construction. This reassessment may result in one or more supplemental tax bills being mailed to the assessed owner, in addition to the annual property tax bill. The calculator below is provided to be an estimate of the potential amount of supplemental taxes to be billed on the listed property.

SUPPLEMENTAL TAX CALCULATOR

1. Estimated Sale Price…………………………………………………………………………………………………………………….. $ 
2. Estimated Current Assessed Value…………………………………………………………………………………………………… $ 313,854.00
3. Increase / Decrease (Subtract line #2 from line #1)
   Estimated Supplemental Assessed Value……………………………………………………………………………………………… $ 
4. Ad Valorem Tax Rate…………………………………………………………………………………………………………………… 1.296
5. Multiply line #3 by line #4
   Estimated Supplemental Tax Amount Obligation………………………………………………………………………………………… $ 

If a supplemental event occurs between June 1 and December 31, only one supplemental tax bill or refund check is issued. This bill or refund accounts for the property's change in value for the period between the first day of the month following the event date and the end of the current fiscal year (i.e., the following June 30). If, however, a supplemental event occurs between January 1 and May 31, two supplemental tax bills or refund checks are issued. The second bill or refund accounts for the property's change in value for the entire 12 months of the coming fiscal year, beginning on the following July 1.

IF SALE DATE FOR THE RESIDENTIAL PROPERTY IS BETWEEN THE MONTHS OF JANUARY THROUGH MAY:

6. Enter Proration Month Factor (See table below).………………………………………………………………………………………………..
7. Multiply line #5 by line #6
   Estimated Supplemental Tax Bill #1…………………………………………………………………………………………………………….. $ 
8. Enter the amount from line #5
   Estimated Supplemental Tax Bill #2…………………………………………………………………………………………………………….. $ 
9. Add lines #7 and line #8.
   Total Estimated Supplemental Tax Bill…………………………………………………………………………………………………………….. $ 

IF SALE DATE FOR THE RESIDENTIAL PROPERTY IS BETWEEN THE MONTHS OF JUNE THROUGH DECEMBER:

10. Enter Proration Month Factor (See Table below).………………………………………………………………………………………………..
11. Multiply line #5 by line #10
    Total Estimated Supplemental Tax Bill…………………………………………………………………………………………………………….. $ 

Proration Month Factor Table

<table>
<thead>
<tr>
<th>Sale Month</th>
<th>Factor</th>
<th>Sale Month</th>
<th>Factor</th>
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<tbody>
<tr>
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<td>June</td>
<td>1.0000</td>
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<tr>
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<td>April</td>
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<tr>
<td></td>
<td></td>
<td>December</td>
<td>0.5000</td>
</tr>
</tbody>
</table>

Notice of Special Tax and Assessment Form
© California Tax Data, 2017
NOTICE OF PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 0266371280000
Property Address or Legal Description: 1589 FULLERTON DR, SAN BERNARDINO
Report Date: 2/6/2020

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

Property Assessed Clean Energy (PACE) programs are a means of financing energy efficiency upgrades or renewable energy installations for your home. PACE partners with local governments to make energy efficient, water efficient and renewable energy products more affordable for homeowners. These programs allow homeowners to finance energy improvements for their homes, and to repay the financing through special assessments on their property taxes.

Property Assessed Clean Energy (PACE) Tax Amount........................................... $ 0.00

PACE programs finances 100% of the cost to purchase and install eligible products. It offers low-fixed interest rates, flexible payment terms including 5, 10, 15, or 20 years for most products. The repayment of PACE is included in your property tax bill, which is delivered and collected by the County. If your property was enrolled into a PACE program after the annual tax bill has been issued, the PACE program will not appear on your annual tax bill until the following fiscal year. You will see a line item titled with the name of the PACE program you are participating in on your property tax bill. If you make property tax payments through an impound escrow account, your lender will adjust your monthly payment to include the amount due for PACE Financing. Just like a mortgage, interest paid on the principal balance is tax deductible. A property owner's initial payments will be comprised of more interest and less principle. Over time, payments will be comprised of more principle and less interest. Therefore, the amount that is tax deductible will vary over the term of the financing, just like it would be with a mortgage. Property taxes typically stay with the property when it is sold. Under the PACE programs, when you sell or refinance your property, your remaining payments may stay with the property. However, your lender may require you to pay off the remaining balance when you refinance or sell your home.

THIS PROPERTY IS NOT PARTICIPATING IN A PACE PROGRAM.
NOTICE OF SUPPLEMENTAL PROPERTY TAX BILL

In accordance with Section 1102.6(c) of the California Civil Code, it is the sole responsibility of the seller of any real property, or his or her agent, to deliver to the prospective purchaser a disclosure notice of the following:

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

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

If you have any question concerning this matter, please call your local Tax Collector’s Office.

As stated above, California law requires that the Assessor re-appraise property upon a change of ownership or the completion of new construction. This re-appraisal results in a supplemental tax assessment which is based on the difference between the new value and the old value of the property, multiplied by the property’s Ad Valorem tax rate. The resulting Supplemental Tax amount is then pro-rated, based upon the number of months remaining in the fiscal year in which the event occurred.

The number of tax bills which will be issued also depends on the date the event occurred. If the change of ownership or new construction is completed between January 1st and May 31st, the result will be two supplemental assessments levied on two supplemental tax bills. If the event occurs between June 1st and December 31st, then only one supplemental bill will be issued.

For a complete explanation and estimation of the supplemental tax bills affecting this parcel you can go to www.californiataxdata.com and order a complete Notice of Supplemental Tax Report.
SPECIAL ALERT
New Mandatory Transfer Fee Disclosure Required 1/1/08

1. Private Transfer Fee

This is commonly known as a "Private Transfer Tax". It is a fee imposed by a private entity such as a property developer, home builder, or homeowner association, when a property within a certain type of subdivision is sold or transferred. A private transfer fee may also be imposed by an individual property owner. Private transfer fees are different from city or county Documentary Transfer Taxes. Private Transfer Fees may apply in addition to government Documentary Transfer Taxes that are due upon sale or transfer of the property.

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

To determine if the property is subject to a Transfer Fee, OBTAIN COPIES OF ALL THE EXCEPTIONS LISTED ON THE PRELIMINARY (TITLE) REPORT FROM THE TITLE COMPANY AND READ THEM TO DETERMINE IF ANY TRANSFER FEES ARE APPLICABLE. Please be aware that private transfer fees may be difficult to identify by simply reading the title report.

Effective January 1, 2008, Civil Code Section 1102.6e requires the Seller to notify the Buyer of whether a private transfer fee applies and if present, to disclose certain specific information about the fee.

Content of Disclosure. Civil Code Section 1102.6e requires the Seller to disclose specific information about any Transfer Fee that may affect the property. Please refer to the legal code or to the C.A.R Form NTF (11/07), provided by the California Association of Realtors, for a standard format to use in making the Transfer Fee Disclosure if you elect to investigate and make this disclosure personally.

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

2. Documentary Transfer Taxes

This is a government tax imposed by a city or county when a property within the jurisdiction is sold or transferred.(It is commonly known as a "Real Estate Transfer Tax"). It is NOT the same as a private transfer fee, which may be imposed by a private entity such as a property developer, home builder, or homeowner association. However, it is a similar fee due upon closing, calculated based on a percentage of the purchase price.
**Transfer Tax Defined.** Under California Revenue and Taxation Code Sections 11911-11929, counties and cities are authorized to impose a tax on the transfer of property located within their jurisdiction. The tax is commonly known by various names, including the Documentary Transfer Tax, or Real Property Transfer Tax, or Real Estate Transfer Tax (hereinafter, the "Transfer Tax").

**How Much?** The tax is due at closing and payable through escrow. This tax does not expire. All future sales of this property will be charged this tax at close of escrow. The amount of the transfer tax is based on the value or sale prices of the property that is transferred. The county rate is one dollar and ten cents ($1.10) for each one thousand dollars ($1,000) of value. The rate for non-charter ("general law") cities is one-half of the county rate and is credited against the county tax due. Charter cities may impose a transfer tax at a rate higher than the county rate.

For any city or county in California, the Transfer Tax rate ("Tax Rate Table") is available at no charge from many sources, most conveniently on the website of the California Local Government Finance Almanac (sponsored by the California League of Cities): http://www.californiacityfinance.com/PropTransfTaxRates.pdf

To estimate the transfer tax for the property, multiply the Property's estimated sales price (in thousands of dollars) by the amount shown in the Tax Rate Table for the city and county in which the property is located.

**Who Pays?** The law states that, "the Transfer Tax must be paid by the person who makes, signs or issues any document subject to the tax, or for whose use or benefit the document is made, signed or issued." In practice, this means that the payment of the Transfer Tax is customarily made by the Seller or the Buyer, or shared by both, depending on the jurisdiction in which the transferred property is located.

**Are there any exemptions?** The California Revenue and Taxation Code, which provides the statutory authority for counties to impose the transfer tax, specifically exempts from the transfer tax the following transactions:

1. Instruments in writing given to secure a debt.
2. Transfers whereby the federal or any state government, or agency, instrumentality or political subdivision thereof, acquires title to realty.
3. Transfers made to effect a plan of reorganization or adjustment (i) confirmed under the Federal Bankruptcy Act, (ii) approved in certain equity receivership proceedings or (iii) whereby a mere change in identity, form or place of organization is effected.
5. Transfers of an interest in a partnership (or, beginning January 1, 2000, an entity treated as a partnership for federal income tax purposes) that holds realty, if (i) the partnership is treated as continuing under IRC § 708 and (ii) the continuing partnership continues to hold the realty.
6. Certain transfers in lieu of foreclosure.
7. Transfers, divisions or allocations of community, quasi-community or quasi-marital property between spouses pursuant to, or in contemplation of, a judgment under the Family Code.
8. Transfers by the State of California, or any political subdivision, agency or instrumentality thereof, pursuant to an agreement whereby the purchaser agrees to immediately reconvey the realty to the exempt agency.
9. Transfers by the State of California, or any political subdivision, agency or instrumentality thereof, to certain nonprofit corporations.
10. Transfers pursuant to certain *inter vivos* gifts or inheritances.
BREAKDOWN OF THE 2019-2020 PROPERTY TAX BILL

This report is an estimate of the original secured property tax bill charges for the above-mentioned property using information obtained from the County on a given date. Changes made by the County or the underlying public agencies levying charges against this property after the date of this report may not be reflected in this report.

### Basic Prop 13 Levy

<table>
<thead>
<tr>
<th>Description</th>
<th>Prop 13</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Ad Valorem Charges</td>
<td></td>
<td>$4,066.28</td>
</tr>
<tr>
<td>County of San Bernardino</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(909) 387-2020 General Service</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Voter Approved Ad Valorem Taxes

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Prop 13 Levy &amp; Voter Approved Ad Valorem Taxes:</td>
<td>$4,066.28</td>
</tr>
<tr>
<td>Estimated Tax Rate:</td>
<td>1.296%</td>
</tr>
</tbody>
</table>

### Direct Assessments

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Protection Assessment Service Zone FP-5 (City of San Bernardino)</td>
<td>$157.56</td>
</tr>
<tr>
<td>San Bernardino County Fire Department</td>
<td></td>
</tr>
<tr>
<td>(909) 387-5974 Fire Suppression</td>
<td></td>
</tr>
<tr>
<td>Vector Control Vector Control District</td>
<td>$5.62</td>
</tr>
<tr>
<td>County of San Bernardino</td>
<td></td>
</tr>
<tr>
<td>(909) 387-2020 Vector Control</td>
<td></td>
</tr>
</tbody>
</table>

Total Direct Assessment Charges: $163.18
Total 2019-2020 Amount: $4,229.46
DESCRIPTION OF PROPERTY TAX CHARGES

Ad Valorem Tax
An Ad Valorem Tax is a tax levied on a parcel that is calculated based on the assessed value of the parcel. Ad valorem taxes may include those taxes that were approved by voters before that passage of Proposition 13 in 1978, General Obligation Bonds or Special Taxes that are based on assessed value as opposed to some other method. Taxes that were established before 1978 may be used for various services and improvements and may or may not be associated with public indebtedness (the issuance of municipal bonds). A General Obligation Bond is a municipal bond that may be issued by a city, county or school district in order to finance the acquisition and construction of public capital facilities and real property. Equipment purchases and the cost of operation and maintenance cannot be financed with a General Obligation Bond. Special Taxes are created pursuant to various California Code Sections and require 2/3 majority approval of the qualified voters for approval. A special tax is may be formed by a local government (a city, county, special district, etc...) in order to finance specific facilities and/or services and cannot be used for general purposes.

Fire Suppression Assessment
A Fire Suppression Assessment is a special assessment created pursuant to Government Code Section 50048 et seq., upon majority approval of the property owners during an assessment balloting procedure. A Fire Suppression Assessment may be levied by a local government (a city, county, special district, etc...) in order to finance certain services that benefit the properties within the district.

Vector Control District
A Vector Control District is a special assessment district created pursuant to the Health and Safety Code Section 2270 et seq., in order to collect costs of a local government (a city, county, special district, etc...) related to vector control. One-time abatements include a notice to the property owner prior to abatement followed by a public hearing. Upon abatement, if the amount owing remains delinquent, a recorded lien is placed on the parcel for the abatement amount, which may include a surcharge that is usually 10% of the amount or is an administrative charge based on actual administrative costs. Ongoing abatements are established upon majority approval of the property owners during an assessment balloting procedure.
Terms, Conditions and Limitations

This property tax disclosure report ("Report") was prepared by a California Tax Data ("CTD") on behalf of the Seller and the Seller's Agent (collectively, the "Seller") to assist the Seller in providing information to the Buyer and the Buyer's Agent (collectively, the "Buyer") as directed by Section 1102.6b of the Civil Code and Sections 53340.2 and 53754 of the Government Code, as amended. The Seller and Buyer are hereinafter collectively referred to as the "Parties". This Report is used to determine whether the subject property is located in one or more special taxing districts and is subject to annual assessments levied pursuant to the Improvement Bond Act of 1915 ("1915 Act") and/or annual special taxes levied pursuant to The Mello-Roos Community Facilities District Act of 1982 ("Mello-Roos"). If the subject property is located in a 1915 Act or Mello-Roos District this Report will provide the additional required information as set forth in the code sections referenced above on the prescribed "Notice of Special Tax and Assessment" form to the prospective Buyer in addition to the other information included in this Report.

Report Preparation. This Report is prepared using data obtained from (a) governmental agencies that have a created, or have authorized and intend to create new 1915 Act and/or Mello-Roos Districts ("District Data"), from (b) public property tax information and records ("Property Tax Data") and, from (c) a proprietary database created by CTD for the purpose of creating these reports ("CTD Database"), referred to individually as the "Database" and collectively as the "Databases".

Database Updates. The Property Tax Data used in this Report is created by the applicable governmental agencies between September 1st and November 30th of each year and incorporated into the CTD Database ("Update Period"). It is obtained by CTD as soon as reasonably possible after becoming publicly available which in some cases may be after it is available on public websites. Due to the detailed nature of obtaining, processing and adapting the data into a usable format for preparing this Report there will be some delay once the updated information is obtained by CTD. The information in this Report can and may vary from year to year and can only be relied upon for the fiscal year being reported. The Property Tax Data can and will change throughout the year as determined by the agency having responsibility for the database and may be made at any time and without notice. Generally these updates do not impact or alter the 1915 Act or Mello-Roos District information provided in the Report and for that reason the updates may not be obtained by CTD. This Report is current as of the date the CTD Database was last updated by CTD for the fiscal year being reported. CTD is under no obligation to update this Report for the subsequent tax year when and if it becomes available.

Report and Database Limitations. CTD assumes that the District Data and the Property Tax Data is reliable and accurate and has not conducted any independent audit to verify the reliability, authenticity, or veracity of the data. CTD is not liable or responsible for any errors, inaccuracies or omissions in the District or Property Tax Data supplied by the various governmental and private agencies used to produce this Report. The Report is valid for the current fiscal year only and cannot be relied upon for subsequent fiscal years. The Databases may not be accurate, current, fully detailed, or complete. It is possible that a parcel of real property may be within a Mello-Roos or 1915 Act District that has been authorized and created but not yet appears within the Databases. There may be other governmental databases with relevant information which are not included in this report. This Report does not contain any information related to any other tax bills that may be issued for any reason including but not limited to corrections, changes in ownership, escaped or prior years, supplemental or unsecured property taxes.

Seller Responsibilities and Prohibitions. It is the responsibility of the Seller to enter the correct assessor's parcel number ("APN"), in the proper format for the County in which the subject property is located and to verify that the address is correct. Regardless of the Report's content the Seller must disclose to the prospective Buyer all material facts known to the Seller relating to the subject property being within a 1915 Act or Mello-Roos District. The Seller must immediately notify CTD if they suspect information on the Report is out-of-date or otherwise inaccurate for any reason. During the Update Period a new Report will be issued if requested by the Seller, in writing within 14 days of new information becoming publicly available.

Only the Parties May Rely on this Report. This Report is for the exclusive, non-transferrable benefit of the Parties to the transaction for which it has been purchased. This Report cannot be relied upon by (a) any persons other than the Seller and Buyer and their respective Agents, or (b) for any other real property, or (c) for any future transactions involving the subject property for which this Report has been purchased. The purchase price paid for this Report does not include any amount for protection of any other properties, parties or future transactions.

Limited Liability. This Report is not an insurance policy and does not claim to provide the same protections as an insurance policy and has been priced accordingly. This report is not a substitute for a title report or title insurance and may not be relied upon as such. It does not obligate CTD to defend any Party against any claims, and CTD shall not have any duty to defend against any claims that may be brought. The price of this Report is not based upon any responsibility for defense costs, or for the assumption of unpaid future tax liability. The premium for an insurance product would be significantly higher than the cost of this report. Therefore, in order to induce CTD to provide this Report for the price charged, and to help streamline the process of resolving any disputes that may arise, the Parties agree that if there is a material error or omission in this Report:

• The Party who suffers damages as a result of such error or omission shall be entitled to recover from CTD the actual proved damages not to exceed the total tax amount under-reported payable for a five (5) year period or ten thousand dollars whichever is less.
• CTD shall not be liable for indirect, consequential, or punitive damages (including, but not limited to, emotional distress or pain and suffering).
• CTD shall not be liable to a Party for any matters known to that Party or its Agent (including errors in this Report) and not disclosed in writing to both the other Parties and CTD prior to the date the subject property is sold by the Seller to Buyer.
• CTD is not responsible for inaccurate APN or address information provided by the person who ordered this report for the subject property.

Other Agreements. This Report sets forth the complete and integrated agreement between CTD and the Parties. Evidence of prior statements, representations, promises or agreements shall not be admissible to vary the terms of this written agreement. This agreement may not be changed or amended except by a written document signed by an authorized representative of CTD and the Parties. In the event that any dispute arises between CTD and any Parties relating to this Report or its subject matter, or any act or omission of CTD, the prevailing party shall be entitled to recover their reasonable costs, including attorneys' fees, from the losing party and will be resolved in the applicable Federal or state court in the County of Orange, State of California, United States of America. If any provision of this Report, or its application to any circumstance, is held to be invalid, unenforceable, or void, the remainder of this Report shall remain in full force and effect and enforced to the fullest extent possible. This Report is deemed valid only upon receipt of payment of the full price of the report within 30 days after the close of Escrow. Upon receipt of Payment by CTD the Parties may rely on the Report and its representations and a contract is formed with CTD.

BY ACCEPTING OR USING THIS REPORT, THE PARTIES HEREBY AGREE TO BE BOUND BY ALL OF THE TERMS, CONDITIONS, AND LIMITATIONS STATED HEREIN.