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SELLER COUNTER OFFER No. 1
May not be used as a multiple counter offer.
(C.A.R. Form SCO, Revised 11/14)

Date July 15, 2019

This is a counter offer to the: ☒ Purchase Agreement, ☐ Buyer Counter Offer No. _____, or ☐ Other _____ ("Offer"),
dated July 11, 2019, on property known as 8207 East Road, Redwood Valley, CA 95470 ("Property"),
between County of Mendocino, By: Carmel J. Angelo, CEO / County Purchasing Agent ("Buyer"),
and Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc. ("Seller").

1. **TERMS:** The terms and conditions of the above referenced document are accepted subject to the following:
- A. Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer or an addendum.
 - B. Unless otherwise agreed in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer, but deposit amount(s) shall remain unchanged from the original Offer.
 - C. **OTHER TERMS:** SEE ATTACHED ADDENDUM A TO BE INCORPORATED WITHIN THIS SELLER COUNTER OFFER ONE BY THIS REFERENCE.

- D. The following attached addenda are incorporated into this Seller Counter offer: ☒ Addendum No. RCDS - B / RCDS - S
☒ ADDENDUM A ☒ Natural Hazard Disclosure Report

2. **EXPIRATION:** This Seller Counter Offer shall be deemed revoked and the deposits, if any, shall be returned:
- A. Unless by 5:00pm on the third Day After the date it is signed in paragraph 4 (if more than one signature then, the last signature date)(or by _____ AM _____ PM on _____ (date)) (i) it is signed in paragraph 5 by Buyer and (ii) a copy of the signed Seller Counter Offer is personally received by Seller or _____, who is authorized to receive it.
 - B. OR If Seller withdraws it anytime prior to Acceptance (CAR Form WOO may be used).
 - C. OR If Seller accepts another offer prior to Buyer's Acceptance of this counter offer.
3. **MARKETING TO OTHER BUYERS:** Seller has the right to continue to offer the Property for sale. Seller has the right to accept any other offer received, prior to Acceptance of this Counter Offer by Buyer as specified in 2A and 5. In such event, Seller is advised to withdraw this Seller Counter Offer before accepting another offer.

4. **OFFER: SELLER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY.**

Seller Rodney Hobbs Redwood Valley, CA, Congregation of Date 7/16/2019 | 9:42 AM
Seller _____ Date _____

5. **ACCEPTANCE: I/WE** accept the above Seller Counter Offer (If checked ☐ **SUBJECT TO THE ATTACHED COUNTER OFFER**) and acknowledge receipt of a Copy.

Buyer _____ Date _____ Time _____ AM/ PM
Buyer By: Carmel J. Angelo, CEO / County Purchasing Agent County of Mendocino Date 7/16/2019 Time _____ AM/ PM

CONFIRMATION OF ACCEPTANCE:

(_____/_____) (Initials) **Confirmation of Acceptance:** A Copy of Signed Acceptance was personally received by Seller, or Seller's authorized agent as specified in paragraph 2A on (date) _____ at _____ AM/ PM. **A binding Agreement is created when a Copy of Signed Acceptance is personally received by Seller or Seller's authorized agent whether or not confirmed in this document.**

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SCO Revised 11/14 (PAGE 1 OF 1)

SELLER COUNTER OFFER (SCO PAGE 1 OF 1)

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Redwood Valley





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ADDENDUM

(C.A.R. Form ADM, Revised 12/15)

No. A

The following terms and conditions are hereby incorporated in and made a part of the: ☐ Purchase Agreement, ☐ Residential Lease or Month-to-Month Rental Agreement, ☐ Transfer Disclosure Statement (Note: An amendment to the TDS may give the Buyer a right to rescind), ☒ Other **Seller Counter Offer One**

dated July 15, 2019, on property known as 8207 East Road
Redwood Valley, CA 95470

in which County of Mendocino, By: Carmel J. Angelo, CEO / County Purchasing Agent is referred to as ("Buyer/Tenant")
and Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc. is referred to as ("Seller/Landlord").

(1) Title and Escrow per Paragraph Item 7C shall be First American Title Company, Santa Ana, CA. ☐

(2) Natural Hazard Zone Disclosure Reporting Company per Item 7A shall be First American Natural Hazard Disclosure Company - subject property report is attached for Buyer's approval and incorporated within this Counter Offer. ☐

(3) Representative Capacity Signature Disclosure of Buyer is incorporated within this Counter Offer to be executed by Buyer, and acknowledged by Seller within 5 days of Acceptance of this Agreement. ☐

(4) Representative Capacity Signature Disclosure of Seller is incorporated within this Counter Offer and Attached. ☐

(5) Paragraph 21A & 21B "Remedies for Buyer's Breach of Contract" shall be incorporated within this Counter Offer by this reference as though initialed by both Buyer and Seller. ☐

(6) Within 7 days of Acceptance, Buyer shall provide from the Mendocino County Clerk of the Board of Supervisors a copy of the Approved Resolution authorizing the purchase of subject property by the Board. ☐

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date 7/16/2019

Date 7/16/2019 | 9:42 AM PDT

Buyer/Tenant _____

Seller/Landlord _____

County of Mendocino

Buyer/Tenant By: Carmel J. Angelo, CEO / County Purchasing Agent

DocuSigned by:

Rodney Hobbs

Redwood Valley, CA, Congregation of Jehovah's

Seller/Landlord _____

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ADM REVISED 12/15 (PAGE 1 OF 1)

ADDENDUM (ADM PAGE 1 OF 1)





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REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (FOR SELLER REPRESENTATIVES)

(C.A.R. Form RCSD-S, Revised 6/16)

This form is not an assignment. It should not be used to add new parties after a contract has been formed. The purpose of this form is to identify who the principal is in the transaction and who has authority to sign documents on behalf of the principal.

This is a disclosure to the ☐ Purchase Agreement, ☐ Listing Agreement, ☒ Other **Seller Counter One**, dated _____ ("Agreement"), for the property known as **8207 East Road, Redwood Valley, CA 95470** ("Property"), between **RE/MAX, Full Spectrum** ("Buyer", ☐ Listing Broker) and **Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc.** ("Seller").

If a trust, identify Seller as the trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust 3.). Full name of trust should be identified in 1A below. If power of attorney, insert principal's name as Seller.

1. ☐ **A. TRUST:** (1) The Property is held in trust pursuant to a trust document, titled (Full name of Trust) _____ dated _____.
(2) The person(s) signing below is/are Sole/Co/Successor Trustee(s) of the Trust.
- ☒ **B. ENTITY:** Seller is a ☒ Corporation, ☐ Limited Liability Company, ☐ Partnership ☐ Other: _____ which has authorized the officer(s), managing member(s), partner(s) or person(s) signing below to act on its behalf. An authorizing resolution of the applicable body of the entity described above ☐ is ☐ is not attached.
- ☐ **C. POWER OF ATTORNEY:** Seller ("Principal") has authorized the person(s) signing below ("Attorney-In-Fact", "Power of Attorney" or "POA") to act on his/her behalf pursuant to a General Power of Attorney (☐ Specific Power of Attorney for the Property), dated _____. **This form is not a Power of Attorney. A Power of Attorney must have already been executed before this form is used.**
- ☐ **D. ESTATE:** (1) Seller is an ☐ estate, ☐ conservatorship, or ☐ guardianship identified by Superior Court Case name as _____, Case # _____.
(2) The person(s) signing below is/are court approved representatives (whether designated as Sole or Co-Executor, Administrator, Conservator, Guardian) of the estate, conservatorship or guardianship identified above.

2. Seller's Representative represents that the trust, entity or power of attorney for which that Party is acting already exists.

Seller: DocuSigned by:

By Rodney Hobbs Date: 7/16/2019 | 9:42 AM PDT
(Sign Name of Trustee, Officer, Managing Member, Partner, Attorney-in-Fact or Administrator/Executor)
(Print Representative Name) Rodney Hobbs Title: Secretary

By _____ Date: _____
(Sign Name of Trustee, Officer, Managing Member, Partner, Attorney-in-Fact or Administrator/Executor)
(Print Representative Name) _____ Title: _____

Acknowledgement of Receipt By Other Party:

(Listing Broker) RE/MAX, Full Spectrum
By Lynn McNamara Date: 7/16/2019
(Print Representative Name) _____ Title: _____

(Buyer) _____ Date: _____
(Print Buyer Name) County of Mendocino
By: Carmel J. Angelo, CEO / County Purchasing Agent Date: 7/16/2019
(Print Buyer Name) By: Carmel J. Angelo, CEO / County Purchasing Agent

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RCSD-S REVISED 6/16 (PAGE 1 OF 1)

REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (RCSD-S PAGE 1 OF 1)

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Redwood Valley





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DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(Buyer's Brokerage Firm to Buyer)
(As required by the Civil Code)
(C.A.R. Form AD, Revised 12/18)

☐ (If checked) This form is being provided in connection with a transaction for a leasehold interest exceeding one year as per Civil Code section 2079.13(j), (k) and (l).

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

SELLER'S AGENT

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

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

To the Buyer and the Seller:

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

BUYER'S AGENT

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

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

To the Buyer and the Seller:

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

AGENT REPRESENTING BOTH SELLER AND BUYER

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

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role.

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

If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation.

Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).**

☒ Buyer ☐ Seller ☐ Landlord ☐ Tenant DocuSigned by: _____ Date _____
By: Carmel J. Angelo, CEO / County Purchasing Agent _____ Date 7/15/2019
☒ Buyer ☐ Seller ☐ Landlord ☐ Tenant By: Carmel J. Angelo, CEO / County _____ Date _____
Agent DocuSigned by: RE/MAX, Full Spectrum DRE Lic. # 01522223
By: Lynn McNamara Real Estate Broker (Firm) _____ Date 7/11/2019
CF1E27DB96704B (Salesperson or Broker-Associate, if any) Lynn McNamara DRE Lic. # 00575586

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AD REVISED 12/18 (PAGE 1 OF 2)

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (AD PAGE 1 OF 2)

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Redwood Valley



CIVIL CODE SECTIONS 2079.13 – 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13. As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. **(b)** "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee of real property. **(c)** "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. **(d)** "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. **(e)** "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. **(f)** "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. **(g)** "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. **(h)** "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. **(i)** "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. **(j)** "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. **(k)** "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. **(l)** "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. **(m)** "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. **(n)** "Buyer's agent" means an agent who represents a buyer in a real property transaction.

2079.14. A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and shall obtain a signed acknowledgment of receipt from that seller and buyer, except as provided in Section 2079.15, as follows: **(a)** The seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. **(b)** The buyer's agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving the offer to purchase from the buyer.

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

2079.16 Reproduced on Page 1 of this AD form.

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

CONFIRMATION: The following agency relationships are confirmed for this transaction:

Seller's Brokerage Firm	DO NOT COMPLETE. SAMPLE ONLY	License Number
Is the broker of (check one): <input type="checkbox"/> the seller; or <input type="checkbox"/> both the buyer and seller. (dual agent)		
Seller's Agent	DO NOT COMPLETE. SAMPLE ONLY	License Number
Is (check one): <input type="checkbox"/> the Seller's Agent. (salesperson or broker associate) <input type="checkbox"/> both the Buyer's and Seller's Agent. (dual agent)		
Buyer's Brokerage Firm	DO NOT COMPLETE. SAMPLE ONLY	License Number
Is the broker of (check one): <input type="checkbox"/> the buyer; or <input type="checkbox"/> both the buyer and seller. (dual agent)		
Buyer's Agent	DO NOT COMPLETE. SAMPLE ONLY	License Number
Is (check one): <input type="checkbox"/> the Buyer's Agent. (salesperson or broker associate) <input type="checkbox"/> both the Buyer's and Seller's Agent. (dual agent)		

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

2079.18 (Repealed pursuant to AB-1289)

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

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

2079.21 (a) A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller. **(b)** A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. **(c)** "Confidential information" means facts relating to the client's financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. **(d)** This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a seller's agent from also being a buyer's agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent.

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

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

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AD REVISED 12/18 (PAGE 2 OF 2)

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (AD PAGE 2 OF 2)



CALIFORNIA
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POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER OR SELLER - DISCLOSURE AND CONSENT

(C.A.R. Form PRBS, Revised 12/18)

A real estate broker (Broker), whether a corporation, partnership or sole proprietorship, may represent more than one buyer or seller. This multiple representation can occur through an individual licensed as a broker or salesperson or through different individual broker's or salespersons (associate licensees) acting under the Broker's license. The associate licensees may be working out of the same or different office locations.

Multiple Buyers: Broker (individually or through its associate licensees) may be working with many prospective buyers at the same time. These prospective buyers may have an interest in, and make offers on, the same properties. Some of these properties may be listed with Broker and some may not. Broker will not limit or restrict any particular buyer from making an offer on any particular property whether or not Broker represents other buyers interested in the same property.

Multiple Sellers: Broker (individually or through its associate licensees) may have listings on many properties at the same time. As a result, Broker will attempt to find buyers for each of those listed properties. Some listed properties may appeal to the same prospective buyers. Some properties may attract more prospective buyers than others. Some of these prospective buyers may be represented by Broker and some may not. Broker will market all listed properties to all prospective buyers whether or not Broker has another or other listed properties that may appeal to the same prospective buyers.

Dual Agency: If Seller is represented by Broker, Seller acknowledges that broker may represent prospective buyers of Seller's property and consents to Broker acting as a dual agent for both seller and buyer in that transaction. If Buyer is represented by Broker, buyer acknowledges that Broker may represent sellers of property that Buyer is interested in acquiring and consents to Broker acting as a dual agent for both buyer and seller with regard to that property.

In the event of dual agency, seller and buyer agree that: a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the buyer's or seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the seller's willingness to accept a price less than the listing price or the buyer's willingness to pay a price greater than the price offered; and except as set forth above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties.

Offers not necessarily confidential: Buyer is advised that seller or listing agent may disclose the existence, terms, or conditions of buyer's offer unless all parties and their agent have signed a written confidentiality agreement. Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the listing agent's marketing strategy and the instructions of the seller.

Buyer and seller understand that Broker may represent more than one buyer or more than one seller and even both buyer and seller on the same transaction and consents to such relationships.

Seller and/or Buyer acknowledges reading and understanding this Possible Representation of More Than One Buyer or Seller Disclosure and Consent and agrees to the agency possibilities disclosed.

Seller	By: <u>Rodney Hobbs</u>	<u>Redwood Valley, CA, Congregation of Jehovah's</u>	Date <u>3/22/2019</u>
Seller	<u>D68FE4BC253C42F...</u>		Date _____
County of Mendocino			Date <u>7/15/2019</u>
Buyer	By: <u>Carmel J. Angelo, CEO / County Purchasing Agent</u>		Date _____
Buyer's Brokerage Firm	<u>RE/MAX, Full Spectrum</u>	DRE Lic # <u>01522223</u>	Date <u>7/16/2019</u>
By: <u>Lynn McNamara</u>		DRE Lic # <u>00575586</u>	Date _____
Seller's Brokerage Firm	<u>RE/MAX, Full Spectrum</u>	DRE Lic # <u>01522223</u>	Date _____
By: <u>Lynn McNamara</u>		DRE Lic # <u>00575586</u>	Date <u>3/1/2019</u>

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PRBS REVISED 12/18 (PAGE 1 OF 1)

POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER OR SELLER (PRBS PAGE 1 OF 1)

RE/MAX Full Spectrum, Commercial Division, Post Office Box 873 Ukiah, CA 95482
Lynn Mc Namara

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Redwood Valley





CALIFORNIA
ASSOCIATION
OF REALTORS®

**WIRE FRAUD AND ELECTRONIC FUNDS
TRANSFER ADVISORY**
(C.A.R. Form WFA, Revised 12/17)

Property Address: 8207 East Road, Redwood Valley, CA 95470 ("Property").

WIRE FRAUD AND ELECTRONIC FUNDS TRANSFERS ADVISORY:

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

While wiring or electronically transferring funds is a welcome convenience, we all need to exercise extreme caution. Emails attempting to induce fraudulent wire transfers have been received and have appeared to be legitimate. Reports indicate that some hackers have been able to intercept emailed transfer instructions, obtain account information and, by altering some of the data, redirect the funds to a different account. It also appears that some hackers were able to provide false phone numbers for verifying the wiring or funds transfer instructions. In those cases, the victim called the number provided to confirm the instructions, and then unwittingly authorized a transfer to somewhere or someone other than the intended recipient.

ACCORDINGLY, YOU ARE ADVISED:

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

If you believe you have received questionable or suspicious wire or funds transfer instructions, immediately notify your bank, and the other party, and the Escrow Office, Landlord, or Property Manager. The sources below, as well as others, can also provide information:

Federal Bureau of Investigation: <https://www.fbi.gov/>; the FBI's IC3 at www.ic3.gov; or 310-477-6565

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

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

NOTE: There are existing alternatives to electronic and wired fund transfers such as cashier's checks. By signing below, the undersigned acknowledge that each has read, understands and has received a copy of this Wire Fraud and Electronic Funds Transfer Advisory.

Buyer/Tenant	County of Mendocino	Date	
Buyer/Tenant	DocuSigned by: <i>By: Carmel J. Angelo, CEO / County Purchasing Agent</i> AB2A04A4F0C8400...	Date	7/15/2019
Seller/Landlord	<i>Rodney Hobbs</i> By: D68FE4BC253C42F...	Date	3/22/2019
Seller/Landlord		Date	

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WFA REVISED 12/17 (PAGE 1 OF 1)

WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY (WFA PAGE 1 OF 1)



EQUAL HOUSING
NATIONAL ASSOCIATION OF REALTORS®

Property Address: 8207 East Road, Redwood Valley, CA 95470Date: July 10, 2019

- H. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Buyer (or Buyer's lender or loan broker pursuant to paragraph 3J(1)) shall, within **3 (or _____) Days** After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing costs. (☐ Verification attached.)
- I. APPRAISAL CONTINGENCY AND REMOVAL:** This Agreement is (or ☒ is NOT) contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the purchase price. Buyer shall, as specified in paragraph 14B(3), in writing, remove the appraisal contingency or cancel this Agreement within **17 (or _____) Days** After Acceptance.
- J. LOAN TERMS:**
- (1) LOAN APPLICATIONS:** Within **3 (or _____) Days** After Acceptance, Buyer shall Deliver to Seller a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in paragraph 3D. If any loan specified in paragraph 3D is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate. (☐ Letter attached.)
- (2) LOAN CONTINGENCY:** Buyer shall act diligently and in good faith to obtain the designated loan(s). Buyer's qualification for the loan(s) specified above is a **contingency** of this Agreement unless otherwise agreed in writing. If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan. Buyer's contractual obligations regarding deposit, balance of down payment and closing costs **are not contingencies** of this Agreement.
- (3) LOAN CONTINGENCY REMOVAL:**
Within **21 (or _____) Days** After Acceptance, Buyer shall, as specified in paragraph 14, in writing, remove the loan contingency or cancel this Agreement. If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.
- (4) ☐ NO LOAN CONTINGENCY:** Obtaining any loan specified above is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.
- (5) LENDER LIMITS ON BUYER CREDITS:** Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit shall be reduced to the Lender Allowable Credit, and (ii) in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.
- K. BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price and to sell to Buyer in reliance on Buyer's covenant concerning financing. Buyer shall pursue the financing specified in this Agreement. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in the Agreement and the availability of any such alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.
- 4. SALE OF BUYER'S PROPERTY:**
- A.** This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer.
- OR B.** ☐ This Agreement and Buyer's ability to obtain financing are contingent upon the sale of property owned by Buyer as specified in the attached addendum (C.A.R. Form COP).
- 5. ADDENDA AND ADVISORIES:**
- A. ADDENDA:**
- | | |
|---|--|
| <input type="checkbox"/> Addendum # _____ (C.A.R. Form ADM) | <input type="checkbox"/> Addendum # _____ (C.A.R. Form ADM) |
| <input type="checkbox"/> Back Up Offer Addendum (C.A.R. Form BUO) | <input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA) |
| <input type="checkbox"/> Septic, Well and Property Monument Addendum (C.A.R. Form SWPI) | |
| <input type="checkbox"/> Short Sale Addendum (C.A.R. Form SSA) | <input type="checkbox"/> Other _____ |
- B. BUYER AND SELLER ADVISORIES:**
- | | |
|---|---|
| <input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA) | |
| <input type="checkbox"/> Probate Advisory (C.A.R. Form PA) | <input type="checkbox"/> Statewide Buyer and Seller Advisory (C.A.R. Form SBSA) |
| <input type="checkbox"/> Trust Advisory (C.A.R. Form TA) | <input type="checkbox"/> REO Advisory (C.A.R. Form REO) |
| <input type="checkbox"/> Short Sale Information and Advisory (C.A.R. Form SSIA) | <input type="checkbox"/> Other _____ |
- 6. OTHER TERMS:** With the exception of personal computers, all furniture and trade equipment on site within Assembly building shall be included within sale price including but not limited to: projection screen, two flatscreen TV's, built in bookcases, desk(s) tables, chairs, approximately 113 stage seats, 2 standing microphones and 2 mics within tables with related equipment--as well as appliances including refrigerator and washer dryer within the home if owned by Seller.
- 7. ALLOCATION OF COSTS**
- A. INSPECTIONS, REPORTS AND CERTIFICATES:** Unless otherwise agreed in writing, this paragraph only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; it **does not determine who is to pay for any work recommended or identified in the Report.**
- (1)** ☐ Buyer ☒ Seller shall pay for a natural hazard zone disclosure report, including tax ☐ environmental ☐ Other: _____ prepared by Propertyid.com
- (2)** ☐ Buyer ☐ Seller shall pay for the following Report _____ prepared by _____
- (3)** ☐ Buyer ☐ Seller shall pay for the following Report _____ prepared by _____
- B. GOVERNMENT REQUIREMENTS AND RETROFIT:**
- (1)** ☐ Buyer ☒ Seller shall pay for smoke alarm and carbon monoxide device installation and water heater bracing, if required by Law. Prior to Close Of Escrow ("COE"), Seller shall provide Buyer written statement(s) of compliance in accordance with state and local Law, unless Seller is exempt.

Buyer's Initials (_____) (ELM/CPA)Seller's Initials (RA) (_____) 

RPA-CA REVISED 12/18 (PAGE 2 OF 10)

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 2 OF 10)

Property Address: **8207 East Road, Redwood Valley, CA 95470**Date: **July 10, 2019**

- (2) (i) ☐ Buyer ☐ Seller shall pay the cost of compliance with any other minimum mandatory government inspections and reports if required as a condition of closing escrow under any Law.
- (ii) ☐ Buyer ☐ Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards required as a condition of closing escrow under any Law, whether the work is required to be completed before or after COE.
- (iii) Buyer shall be provided, within the time specified in paragraph 14A, a copy of any required government conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.

C. ESCROW AND TITLE:

- (1) (a) ☒ Buyer ☐ Seller shall pay escrow fee _____.
- (b) Escrow Holder shall be **Fidelity National Title - Denise LaHa Escrow Officer**.
- (c) The Parties shall, within **5 (or _____) Days** After receipt, sign and return Escrow Holder's general provisions.
- (2) (a) ☒ Buyer ☐ Seller shall pay for **owner's** title insurance policy specified in paragraph 13E _____.
- (b) Owner's title policy to be issued by **Fidelity National Title**.
- (Buyer shall pay for any title insurance policy insuring Buyer's **lender**, unless otherwise agreed in writing.)

D. OTHER COSTS:

- (1) ☐ Buyer ☒ Seller shall pay County transfer tax or fee _____.
- (2) ☐ Buyer ☐ Seller shall pay City transfer tax or fee _____.
- (3) ☐ Buyer ☐ Seller shall pay Homeowners' Association ("HOA") transfer fee _____.
- (4) Seller shall pay HOA fees for preparing documents required to be delivered by Civil Code §4525.
- (5) ☐ Buyer ☐ Seller shall pay HOA fees for preparing all documents other than those required by Civil Code §4525.
- (6) Buyer to pay for any HOA certification fee.
- (7) ☐ Buyer ☐ Seller shall pay for any private transfer fee _____.
- (8) ☐ Buyer ☐ Seller shall pay for _____.
- (9) ☐ Buyer ☐ Seller shall pay for _____.
- (10) ☐ Buyer ☐ Seller shall pay for the cost, not to exceed \$ _____, of a standard (or ☐ upgraded) one-year home warranty plan, issued by _____, with the following optional coverages: ☐ Air Conditioner ☐ Pool/Spa ☐ Other: _____.
- Buyer is informed that home warranty plans have many optional coverages in addition to those listed above. Buyer is advised to investigate these coverages to determine those that may be suitable for Buyer.

OR ☒ Buyer waives the purchase of a home warranty plan. Nothing in this paragraph precludes Buyer's purchasing a home warranty plan during the term of this Agreement.

8. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:

A. NOTE TO BUYER AND SELLER: Items listed as included or excluded in the MLS, flyers or marketing materials are **not** included in the purchase price or excluded from the sale unless specified in paragraph 8 B or C.

B. ITEMS INCLUDED IN SALE: Except as otherwise specified or disclosed,

- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water features and fountains, water softeners, water purifiers, security systems/alarms and the following if checked: ☒ all stove(s), except _____; ☒ all refrigerator(s) except _____; ☒ all washer(s) and dryer(s), except _____;
- (3) The following additional items: _____.
- (4) Existing integrated phone and home automation systems, including necessary components such as intranet and Internet-connected hardware or devices, control units (other than non-dedicated mobile devices, electronics and computers) and applicable software, permissions, passwords, codes and access information, are (☐ are NOT) included in the sale.
- (5) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller shall, within the time specified in paragraph 14A, (i) disclose to Buyer if any item or system specified in paragraph 8B or otherwise included in the sale is leased, or not owned by Seller, or specifically subject to a lien or other encumbrance, and (ii) Deliver to Buyer all written materials (such as lease, warranty, etc.) concerning any such item. Buyer's ability to assume any such lease, or willingness to accept the Property subject to any such lien or encumbrance, is a contingency in favor of Buyer and Seller as specified in paragraph 14B and C.
- (6) Seller represents that all items included in the purchase price, unless otherwise specified, (i) are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to 8B(5) and _____, and (ii) are transferred without Seller warranty regardless of value.

C. ITEMS EXCLUDED FROM SALE: Unless otherwise specified, the following items are excluded from sale: (i) audio and video components (such as flat screen TVs, speakers and other items) if any such item is not itself attached to the Property, even if a bracket or other mechanism attached to the component or item is attached to the Property; (ii) furniture and other items secured to the Property for earthquake purposes; and (iii) _____.

_____. Brackets attached to walls, floors or ceilings for any such component, furniture or item shall remain with the Property (or ☐ will be removed and holes or other damage shall be repaired, but not painted).

9. CLOSING AND POSSESSION:

A. Buyer intends (or ☒ does not intend) to occupy the Property as Buyer's primary residence.

B. Seller-occupied or vacant property: Possession shall be delivered to Buyer: (i) at 6 PM or (_____) AM/_____) PM on the date of Close Of Escrow; (ii) ☐ no later than _____ calendar days after Close Of Escrow; or (iii) ☐ at _____ AM/_____) PM on _____.

Buyer's Initials (_____) (**BCJA/CRA**)Seller's Initials (**RA**) (_____)

RPA-CA REVISED 12/18 (PAGE 3 OF 10)

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 3 OF 10)

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Redwood Valley



- C. Seller remaining in possession After Close Of Escrow:** If Seller has the right to remain in possession after Close Of Escrow, (i) the Parties are advised to sign a separate occupancy agreement such as ☐ C.A.R. Form SIP, for Seller continued occupancy of less than 30 days, ☐ C.A.R. Form RLAS for Seller continued occupancy of 30 days or more; and (ii) the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; and (iii) Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan.
- D. Tenant-occupied property: Property shall be vacant at least 5 (or) Days** Prior to Close Of Escrow, unless otherwise agreed in writing. **Note to Seller: If you are unable to deliver Property vacant in accordance with rent control and other applicable Law, you may be in breach of this Agreement.**
- OR ☐ Tenant to remain in possession** (C.A.R. Form TIP).
- E.** At Close Of Escrow: Seller assigns to Buyer any assignable warranty rights for items included in the sale; and Seller shall Deliver to Buyer available Copies of any such warranties. Brokers cannot and will not determine the assignability of any warranties.
- F.** At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems and intranet and Internet-connected devices included in the purchase price, and garage door openers. If the Property is a condominium or located in a common interest subdivision, Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.
- 10. STATUTORY AND OTHER DISCLOSURES (INCLUDING LEAD-BASED PAINT HAZARD DISCLOSURES) AND CANCELLATION RIGHTS:**
- A. (1)** Seller shall, within the time specified in paragraph 14A, Deliver to Buyer: (i) if required by Law, a fully completed: Federal Lead-Based Paint Disclosures (C.A.R. Form FLD) and pamphlet ("Lead Disclosures"); and (ii) unless exempt, fully completed disclosures or notices required by sections 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement ("TDS"), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location (C.A.R. Form SPQ or ESD).
- (2)** Any Statutory Disclosure required by this paragraph is considered fully completed if Seller has answered all questions and completed and signed the Seller section(s) and the Seller's Agent, if any, has completed and signed the Seller's Brokerage Firm section(s), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Nothing stated herein relieves a Buyer's Brokerage Firm, if any, from the obligation to (i) conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose, on Section IV of the TDS, or an AVID, material facts affecting the value or desirability of the Property that were or should have been revealed by such an inspection or (ii) complete any sections on all disclosures required to be completed by Buyer's Brokerage Firm.
- (3) Note to Buyer and Seller:** Waiver of Statutory and Lead Disclosures is prohibited by Law.
- (4)** Within the time specified in paragraph 14A, (i) Seller, unless exempt from the obligation to provide a TDS, shall, complete and provide Buyer with a Seller Property Questionnaire (C.A.R. Form SPQ); (ii) if Seller is not required to provide a TDS, Seller shall complete and provide Buyer with an Exempt Seller Disclosure (C.A.R. Form ESD).
- (5)** Buyer shall, within the time specified in paragraph 14B(1), return Signed Copies of the Statutory, Lead and other disclosures to Seller.
- (6)** In the event Seller or Seller's Brokerage Firm, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer, Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware, or which are disclosed in reports provided to or obtained by Buyer or ordered and paid for by Buyer.**
- (7)** If any disclosure or notice specified in paragraph 10A(1), or subsequent or amended disclosure or notice is Delivered to Buyer after the offer is Signed, Buyer shall have the right to cancel this Agreement within **3 Days** After Delivery in person, or **5 Days** After Delivery by deposit in the mail, or by an electronic record satisfying the Uniform Electronic Transactions Act (UETA), by giving written notice of cancellation to Seller or Seller's agent.
- B. NATURAL AND ENVIRONMENTAL HAZARD DISCLOSURES AND OTHER BOOKLETS:** Within the time specified in paragraph 14A, Seller shall, if required by Law: (i) Deliver to Buyer earthquake guide(s) (and questionnaire), environmental hazards booklet, and home energy rating pamphlet; (ii) disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; and Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- C. WITHHOLDING TAXES:** Within the time specified in paragraph 14A, to avoid required withholding, Seller shall Deliver to Buyer or qualified substitute, an affidavit sufficient to comply with federal (FIRPTA) and California withholding Law (C.A.R. Form AS or QS).
- D. MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)
- E. 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.
- F. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**
- (1) SELLER HAS: 7 (or) Days** After Acceptance to disclose to Buyer if the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form SPQ or ESD).

Buyer's Initials () (BC/ML)Seller's Initials (RH) ()

(2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has **3 (or ____) Days** After Acceptance to request from the HOA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). (vi) private transfer fees; (vii) Pet fee restrictions; and (viii) smoking restrictions. Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 14B(3). The Party specified in paragraph 7, as directed by escrow, shall deposit funds into escrow or direct to HOA or management company to pay for any of the above.

11. CONDITION OF PROPERTY: Unless otherwise agreed in writing: (i) the Property is sold (a) "AS-IS" in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation rights; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and (iii) all debris and personal property not included in the sale shall be removed by Close Of Escrow.

- A. Seller shall, within the time specified in paragraph 14A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, and make any and all other disclosures required by law.
- B. Buyer has the right to conduct Buyer Investigations of the Property and, as specified in paragraph 14B, based upon information discovered in those investigations: (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.
- C. **Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.**

12. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:

- A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 14B. Within the time specified in paragraph 14B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to: (i) a general physical inspection; (ii) an inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2); (iii) inspect for lead-based paint and other lead-based paint hazards; (iv) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA); (v) review the registered sex offender database; (vi) confirm the insurability of Buyer and the Property including the availability and cost of flood and fire insurance; and (vii) review and seek approval of leases that may need to be assumed by Buyer. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report; or inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- B. Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 14B, complete Buyer Investigations and either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all such Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
- C. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer.
- D. **Buyer indemnity and seller protection for entry upon property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.

13. TITLE AND VESTING:

- A. Within the time specified in paragraph 14, Buyer shall be provided a current preliminary title report ("Preliminary Report"). The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the Preliminary Report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 14B. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities. Seller shall within 7 Days After Acceptance, give Escrow Holder a completed Statement of Information.
- B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record (which Seller is obligated to pay off) unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
- C. Within the time specified in paragraph 14A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.
- E. Buyer shall receive a CLTA/ALTA "Homeowner's Policy of Title Insurance", if applicable to the type of property and buyer. If not, Escrow Holder shall notify Buyer. A title company can provide information about the availability, coverage, and cost of other title policies and endorsements. If the Homeowner's Policy is not available, Buyer shall choose another policy, instructions to Escrow Holder in writing and shall pay any increase in cost.

Buyer's Initials (_____) (_____) BCJA/CRA

Seller's Initials RH (_____) (_____)

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 5 OF 10)



- 14. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS:** The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).
- A. SELLER HAS: 7 (or ____) Days** After Acceptance to Deliver to Buyer all Reports, disclosures and information for which Seller is responsible under paragraphs 5, 6, 7, 8B(5), 10A, B, C, and F, 11A and 13A. If, by the time specified, Seller has not Delivered any such item, Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement.
- B. (1) BUYER HAS: 17 (or ____) Days** After Acceptance, unless otherwise agreed in writing, to:
- (i) complete all Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to paragraph 8B(5), and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory and Lead Disclosures and other disclosures Delivered by Seller in accordance with paragraph 10A.
 - (2) Within the time specified in paragraph 14B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to (C.A.R. Form RRRR) Buyer's requests.
 - (3) By the end of the time specified in paragraph 14B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller a removal of the applicable contingency or cancellation (C.A.R. Form CR or CC) of this Agreement. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in paragraph 14A, then Buyer has **5 (or ____) Days** After Delivery of any such items, or the time specified in paragraph 14B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.
 - (4) **Continuation of Contingency:** Even after the end of the time specified in paragraph 14B(1) and before Seller cancels, if at all, pursuant to paragraph 14D, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to paragraph 14D(1).
 - (5) **Access to Property:** Buyer shall have access to the Property to conduct inspections and investigations for **17 (or ____) Days** After Acceptance, whether or not any part of the Buyer's Investigation Contingency has been waived or removed.
- C. ☐ REMOVAL OF CONTINGENCIES WITH OFFER:** Buyer removes the contingencies specified in the attached Contingency Removal form (C.A.R. Form CR). If Buyer removes any contingency without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Broker.
- D. SELLER RIGHT TO CANCEL:**
- (1) **Seller right to Cancel; Buyer Contingencies:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
 - (2) **Seller right to Cancel; Buyer Contract Obligations:** Seller, after first delivering to Buyer a NBP, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3A, or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a notice of FHA or VA costs or terms as required by paragraph 3D(3) (C.A.R. Form FVA); (iii) Deliver a letter as required by paragraph 3J(1); (iv) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by paragraph 3C or 3H; (v) In writing assume or accept leases or liens specified in 8B5; (vi) Return Statutory and Lead Disclosures as required by paragraph 10A(5); or (vii) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 21B; or (viii) Provide evidence of authority to sign in a representative capacity as specified in paragraph 19. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
- E. NOTICE TO BUYER OR SELLER TO PERFORM:** The NBP or NSP shall: (i) be in writing; (ii) be signed by the applicable Buyer or Seller; and (iii) give the other Party at least **2 (or ____) Days** After Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP or NSP may not be Delivered any earlier than **2 Days** Prior to the expiration of the applicable time for the other Party to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 14.
- F. EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES:** If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in writing, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.
- G. CLOSE OF ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a demand to close escrow (C.A.R. Form DCE). The DCE shall: (i) be signed by the applicable Buyer or Seller; and (ii) give the other Party at least **3 (or ____) Days** After Delivery to close escrow. A DCE may not be Delivered any earlier than **3 Days** Prior to the scheduled close of escrow.
- H. EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Except as specified below, **release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award.** If either Party fails to execute mutual instructions to cancel escrow, one Party may make a written demand to Escrow Holder for the deposit. (C.A.R. Form BDRD or SDRD). Escrow Holder, upon receipt, shall promptly deliver notice of the demand to the other Party. If, within 10 Days After Escrow Holder's notice, the other Party does not object to the demand, Escrow Holder shall disburse the deposit to the Party making the demand. If Escrow Holder complies with the preceding process, each Party shall be deemed to have released Escrow Holder from any and all claims or liability related to the disbursement of the deposit. Escrow Holder, at its discretion, may nonetheless require mutual cancellation instructions. **A Party may be subject to a civil penalty of up to \$1,000 for refusal to sign cancellation instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).**

Buyer's Initials

(_____) (BCN/CRA)

Seller's Initials

(DS) (RH) (_____)

Property Address: **8207 East Road, Redwood Valley, CA 95470**Date: **July 10, 2019**

15. FINAL VERIFICATION OF CONDITION: Buyer shall have the right to make a final verification of the Property within **5 (or ____) Days** Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: **(i)** the Property is maintained pursuant to paragraph 11; **(ii)** Repairs have been completed as agreed; and **(iii)** Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).

16. REPAIRS: Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: **(i)** obtain invoices and paid receipts for Repairs performed by others; **(ii)** prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and **(iii)** provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.

17. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS: Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: **(i)** for periods after Close Of Escrow, by Buyer; and **(ii)** for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.

18. BROKERS:

A. COMPENSATION: Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.

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

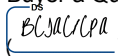
19. REPRESENTATIVE CAPACITY: If one or more Parties is signing this Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 31 or 32 and attach a Representative Capacity Signature Disclosure (C.A.R. Form RCSD). Wherever the signature or initials of the representative identified in the RCSD appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Party acting in a representative capacity (i) represents that the entity for which that party is acting already exists and (ii) shall Deliver to the other Party and Escrow Holder, within **3 Days** After Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code §18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

20. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:

A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3, 4B, 5A, 6, 7, 10C, 13, 14G, 17, 18A, 19, 20, 26, 29, 30, 31, 32 and paragraph D of the section titled Real Estate Brokers on page 10. If a Copy of the separate compensation agreement(s) provided for in paragraph 18A, or paragraph D of the section titled Real Estate Brokers on page 10 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute such provisions within the time specified in paragraph 7C(1)(c). To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within **3 (or ____) Days**, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by paragraphs 7, 10 or elsewhere in this Agreement.

B. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days After Acceptance (or _____). Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title company when received from Seller. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 10C, Escrow Holder shall deliver to Buyer a Qualified Substitute statement that complies with federal Law.

Buyer's Initials ()



Seller's Initials ()



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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 7 OF 10)

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Redwood Valley



Property Address: **8207 East Road, Redwood Valley, CA 95470**Date: **July 10, 2019**

- C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 18A and paragraph D of the section titled Real Estate Brokers on page 10. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 18A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
- D. Upon receipt, Escrow Holder shall provide Seller and Seller's Broker verification of Buyer's deposit of funds pursuant to paragraph 3A and 3B. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers: (i) if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- E. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.

21. REMEDIES FOR BUYER'S BREACH OF CONTRACT:

- A. Any clause added by the Parties specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase in violation of this Agreement shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.
- B. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the purchase price. Any excess shall be returned to Buyer. Except as provided in paragraph 14H, release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. **AT THE TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R. FORM RID).**

Buyer's Initials _____ / _____

Seller's Initials _____ / _____

22. DISPUTE RESOLUTION:

- A. **MEDIATION:** The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action through the C.A.R. Real Estate Mediation Center for Consumers (www.consumermediation.org) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Broker(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. Mediation fees, if any, shall be divided equally among the Parties involved. If, for any dispute or claim to which this paragraph applies, any Party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED. Exclusions from this mediation agreement are specified in paragraph 22C.

B. ARBITRATION OF DISPUTES:

The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Broker(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of residential real estate Law experience, unless the parties mutually agree to a different arbitrator. The Parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Enforcement of this agreement to arbitrate shall be governed by the Federal Arbitration Act. Exclusions from this arbitration agreement are specified in paragraph 22C.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials _____ ^{DS} BCJAL/CPASeller's Initials _____ ^{DS} RH / _____**C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:**

- (1) **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; and (iii) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court.

Buyer's Initials _____ ^{DS} BCJAL/CPASeller's Initials _____ ^{DS} RH () ()

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 8 OF 10)

(2) **PRESERVATION OF ACTIONS:** The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies; or (iii) the filing of a mechanic's lien.

(3) **BROKERS:** Brokers shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Broker(s) participating in mediation or arbitration shall not be deemed a party to this Agreement.

23. SELECTION OF SERVICE PROVIDERS: Brokers do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Broker or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.

24. MULTIPLE LISTING SERVICE ("MLS"): Brokers are authorized to report to the MLS a pending sale and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS.

25. ATTORNEY FEES: In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 22A.

26. ASSIGNMENT: Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless otherwise agreed in writing by Seller. (C.A.R. Form AOA).

27. EQUAL HOUSING OPPORTUNITY: The Property is sold in compliance with federal, state and local anti-discrimination Laws.

28. TERMS AND CONDITIONS OF OFFER: This is an offer to purchase the Property on the above terms and conditions. The liquidated damages paragraph or the arbitration of disputes paragraph is incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a counter offer or addendum. If at least one but not all Parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.

29. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES: Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as otherwise specified, this Agreement shall be interpreted and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**

30. DEFINITIONS: As used in this Agreement:

- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a Party and is delivered to and personally received by the other Party or that Party's authorized agent in accordance with the terms of this offer or a final counter offer.
- B. "Agreement" means this document and any counter offers and any incorporated addenda, collectively forming the binding agreement between the Parties. Addenda are incorporated only when Signed by all Parties.
- C. "C.A.R. Form" means the most current version of the specific form referenced or another comparable form agreed to by the parties.
- D. "Close Of Escrow", including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded.
- E. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.
- F. "Days" means calendar days. However, after Acceptance, the last Day for performance of any act required by this Agreement (including Close Of Escrow) shall not include any Saturday, Sunday, or legal holiday and shall instead be the next Day.
- G. "Days After" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 PM on the final day.
- H. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.
- I. "Deliver", "Delivered" or "Delivery", unless otherwise specified in writing, means and shall be effective upon: personal receipt by Buyer or Seller or the individual Real Estate Licensee for that principal as specified in the section titled Real Estate Brokers on page 10, regardless of the method used (i.e., messenger, mail, email, fax, other).
- J. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
- K. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
- L. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
- M. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.

31. EXPIRATION OF OFFER: This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by Lynn McNamara, who is authorized to receive it, by 5:00 PM on the third Day after this offer is signed by Buyer (or by ☐ AM/ ☐ PM, on July 15, 2019 (date)).

☒ One or more Buyers is signing this Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-B) for additional terms.

Date _____ BUYER _____
County of Mendocino

(Print name) County of Mendocino

Date 7/15/2019

BUYER

DocuSigned by:

By: Carmel J. Angelo, CEO / County Purchasing Agent

(Print name) By: Carmel J. Angelo, CEO / County Purchasing Agent

☐ Additional Signature Addendum attached (C.A.R. Form ASA).

Seller's Initials

DS

RT

Property Address: 8207 East Road, Redwood Valley, CA 95470Date: July 10, 2019

32. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement. Seller accepts the above offer, and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to Deliver a Signed Copy to Buyer.

☒ (If checked) SELLER'S ACCEPTANCE IS **SUBJECT TO ATTACHED COUNTER OFFER (C.A.R. Form SCO or SMCO) DATED: 07/15/2019**.

☒ One or more Sellers is signing this Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-S) for additional terms.

Date 7/16/2019 9:42 AM PDTSigned by: Rodney Hobbs(Print name) Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc.

Date _____ SELLER _____

(Print name) _____

☐ Additional Signature Addendum attached (C.A.R. Form ASA).

(_____/_____) (Do not initial if making a counter offer.) **CONFIRMATION OF ACCEPTANCE:** A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) _____ at _____
☐ AM/ ☐ PM. **A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.**

REAL ESTATE BROKERS:**A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.****B. Agency relationships are confirmed as stated in paragraph 2.****C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.**

D. COOPERATING (BUYER'S) BROKER COMPENSATION: Seller's Broker agrees to pay Buyer's Broker and Buyer's Broker agrees to accept, out of Seller's Broker's proceeds in escrow, the amount specified in the MLS, provided Buyer's Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Seller's Broker and Buyer's Broker are not both Participants of the MLS, or a reciprocal MLS, in which the Property is offered for sale, then compensation must be specified in a separate written agreement (C.A.R. Form CBC). Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.

E. PRESENTATION OF OFFER: Pursuant to Standard of Practice 1-7, if Buyer's Broker makes a written request, Seller's Broker shall confirm in writing that this offer has been presented to Seller.

Buyer's Brokerage Firm RE/MAX, Full Spectrum DRE Lic. # 01522223
 By Lynn McNamara Lynn McNamara DRE Lic. # 00575586 Date 7/11/2019
 By _____ DRE Lic. # _____ Date _____
 Address 601 South State Street City Ukiah State CA Zip 95482
 Telephone (707)621-4265 Fax (707)313-0373 E-mail lynn@pacific.net
 Seller's Brokerage Firm RE/MAX, Full Spectrum DRE Lic. # 01522223
 By Lynn McNamara Lynn McNamara DRE Lic. # 00575586 Date 7/11/2019
 By _____ DRE Lic. # _____ Date _____
 Address 601 South State Street City Ukiah State CA Zip 95482
 Telephone (707)621-4265 Fax (707)313-0373 E-mail lynn@pacific.net

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, ☐ a deposit in the amount of \$ _____), counter offer numbers _____ ☐ Seller's Statement of Information and _____, and agrees to act as Escrow Holder subject to paragraph 20 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is _____

Escrow Holder _____ Escrow # _____

By _____ Date _____

Address _____

Phone/Fax/E-mail _____

Escrow Holder has the following license number # _____

☐ Department of Business Oversight, ☐ Department of Insurance, ☐ Department of Real Estate.

PRESENTATION OF OFFER: (_____) Seller's Broker presented this offer to Seller on _____ (date).
 Broker or Designee Initials _____

REJECTION OF OFFER: (_____) (_____) No counter offer is being made. This offer was rejected by Seller on _____ (date).
 Seller's Initials _____

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 525 South Virgil Avenue, Los Angeles, California 90020

Buyer Acknowledges that page 10 is part of this Agreement (_____) ELM/CPA
 Buyer's Initials



RPA-CA REVISED 12/18 (PAGE 10 of 10)

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 10 OF 10)

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

Redwood Valley



CALIFORNIA
ASSOCIATION
OF REALTORS®

REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (FOR SELLER REPRESENTATIVES)

(C.A.R. Form RCSD-S, Revised 6/16)

This form is not an assignment. It should not be used to add new parties after a contract has been formed. The purpose of this form is to identify who the principal is in the transaction and who has authority to sign documents on behalf of the principal.

This is a disclosure to the ☒ Purchase Agreement, ☐ Listing Agreement, ☐ Other _____, dated 07/10/2019 ("Agreement"), for the property known as 8207 East Road, Redwood Valley, CA 95470 ("Property"), between RE/MAX, Full Spectrum ("Buyer", ☐ Listing Broker) and Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc. ("Seller").

If a trust, identify Seller as the trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust 3.). Full name of trust should be identified in 1A below. If power of attorney, insert principal's name as Seller.

1. ☐ **A. TRUST:** (1) The Property is held in trust pursuant to a trust document, titled (Full name of Trust) _____ dated _____.
(2) The person(s) signing below is/are Sole/Co/Successor Trustee(s) of the Trust.
- ☒ **B. ENTITY:** Seller is a ☒ Corporation, ☐ Limited Liability Company, ☐ Partnership ☐ Other: _____ which has authorized the officer(s), managing member(s), partner(s) or person(s) signing below to act on its behalf. An authorizing resolution of the applicable body of the entity described above ☐ is ☐ is not attached.
- ☐ **C. POWER OF ATTORNEY:** Seller ("Principal") has authorized the person(s) signing below ("Attorney-In-Fact", "Power of Attorney" or "POA") to act on his/her behalf pursuant to a General Power of Attorney (☐ Specific Power of Attorney for the Property), dated _____. **This form is not a Power of Attorney. A Power of Attorney must have already been executed before this form is used.**
- ☐ **D. ESTATE:** (1) Seller is an ☐ estate, ☐ conservatorship, or ☐ guardianship identified by Superior Court Case name as _____, Case # _____.
(2) The person(s) signing below is/are court approved representatives (whether designated as Sole or Co-Executor, Administrator, Conservator, Guardian) of the estate, conservatorship or guardianship identified above.

2. Seller's Representative represents that the trust, entity or power of attorney for which that Party is acting already exists.

Seller:

DocuSigned by:

By Rodney Hobbs Date: 7/16/2019 | 9:42 AM PDT
(Sign Name of Trustee, Officer, Managing Member, Partner, Attorney-in-Fact or Administrator/Executor)
(Print Representative Name) Rodney Hobbs Title: Secretary

By _____ Date: _____
(Sign Name of Trustee, Officer, Managing Member, Partner, Attorney-in-Fact or Administrator/Executor)
(Print Representative Name) _____ Title: _____

Acknowledgement of Receipt By Other Party:

(Listing Broker) RE/MAX, Full Spectrum Date: 7/16/2019
By Lynn Mc Namara
Lynn Mc Namara

(Buyer) _____ Date: _____
(Print Buyer Name) County of Mendocino
(Buyer) By: Carmel J. Angelo, CEO / County Purchasing Agent Date: 7/16/2019
(Print Buyer Name) By: Carmel J. Angelo, CEO / County Purchasing Agent

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RCSD-S REVISED 6/16 (PAGE 1 OF 1)

REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (RCSD-S PAGE 1 OF 1)

RE/MAX Full Spectrum, Commercial Division, Post Office Box 873 Ukiah, CA 95482
Lynn Mc Namara

Phone: 707.621.4265
Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

Fax: 707.3130373

Redwood Valley





CALIFORNIA
ASSOCIATION
OF REALTORS®

BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA, Revised 11/14)

Property Address **8207 East Road, Redwood Valley, CA 95470**

1. IMPORTANCE OF PROPERTY INVESTIGATION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.

2. BROKER OBLIGATIONS: Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as those listed below. If Broker gives you referrals to professionals, Broker does not guarantee their performance.

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

- A. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and nonstructural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.
- B. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.
- C. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms.
- D. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.
- E. WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
- F. ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).
- G. EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.
- H. FIRE, HAZARD AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies.
- I. BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size.
- J. RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.
- K. SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.
- L. NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, law enforcement, crime statistics, registered felons or offenders, fire protection, other government services, availability, adequacy and cost of internet connections or other technology services and installations, commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

By signing below, Buyers acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyers are encouraged to read it carefully.

Buyer _____
County of Mendocino

Buyer _____
By: Carmel J. Angelo, CEO / County Purchasing Agent
By: Carmel J. Angelo, CEO / County

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BIA REVISED 11/14 (PAGE 1 OF 1)

BUYER'S INSPECTION ADVISORY (BIA PAGE 1 OF 1)



CHAPTER 20.048 - "R-R" RURAL RESIDENTIAL DISTRICT

Received By:
County of Mendocino

DocuSigned by:
By: Carmel J. Angelo, CEO / County Purch
7/19/2019

Sec. 20.048.005 - Intent.

This district is intended to create and enhance residential areas where agricultural use compatible with a permanent residential use is desired. Typically the "R-R" District would be applied to rural or semi-rural areas where urban levels of service are not available and where large lots are desired.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.010 - Permitted Uses.

The following use types are permitted in the RR District:

(A) Residential Use Types (See Chapter 20.016).

Family residential—single-family.

(B) Civic Use Types (See Chapter 20.020).

Cemetery;

Community recreation;

Cultural exhibits and library services;

Essential services;

Fire and police protection services;

Minor impact utilities.

(C) Agricultural Use Types (See Chapter 20.032).

Animal raising—general agriculture;

Animal raising—personal;

Forest production and processing—limited;

Horticulture;

Packing and processing—limited;

Row and field crops;

Tree crops.

(D) Accessory uses as provided in Chapter 20.164.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.015 - Uses Subject to a Minor Use Permit.

The following use types are permitted in the R-R District upon issuance of a Minor Use Permit.

(A) Residential Use Types (See Chapter 20.016).

Family residential—dwelling groups;

(B) Civic use types (see Chapter 20.020);

Administrative services, government;

Ambulance services;

Clinic services;

Day care facilities/small schools;

Group care;

Lodge, fraternal and civic assembly;

Religious assembly.

(C) Commercial Use Types (See Chapter 20.024).

Animal sales and service—auctioning;

Animal sales and service—horse stables;

Animal sales and service—kennels;

Animal sales and service—veterinary (all types);

Cottage industries—limited (R-R:L-1; R-R:L-2);

Cottage industries—general (R-R:L-5; R-R:L-10).

(D) Agricultural Use Type (See Chapter 20.032).

Forest production and processing—commercial woodlots.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.020 - Uses Subject to a Major Use Permit.

The following use types are permitted in the R-R District upon issuance of a Major Use Permit.

(A) Residential Use Types (See Chapter 20.016).

Family residential—cluster development.

(B) Civic Use Types (See Chapter 20.020).

Educational facilities;

Major impact facilities;

Major impact services and utilities.

(C) Commercial Use Types (See Chapter 20.024).

Commercial recreation—outdoor sports and recreation;

Transient habitation—lodging (limited).

(D) Agricultural Use Types (See Chapter 20.032).

Packing and processing—winery.

(E) Extractive Use Type (See Chapter 20.036).

Mining and processing.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.025 - Minimum Lot Area.

(A) R-R:L-1: forty thousand (40,000) square feet;

(B) R-R:L-2: eighty thousand (80,000) square feet;

(C) R-R:L-5: five (5) acres;

(D) R-R:L-10: ten (10) acres.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.030 - Maximum Dwelling Density.

(A) R-R:L-1: one (1) unit per forty thousand (40,000) square feet;

(B) R-R:L-2: one (1) unit per eighty thousand (80,000) square feet;

(C) R-R:L-5: one (1) unit per five (5) acres;

(D) R-R:L-10: one (1) unit per ten (10) acres.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.035 - Minimum Front and Rear Yards.

- (A) R-R:L-1; RR:L-2: twenty (20) feet each;
- (B) R-R:L-5: thirty (30) feet each;
- (C) R-R:L-10: fifty (50) feet each.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.040 - Minimum Side Yards.

- (A) R-R:L-1; R-R:L-2: six (6) feet each;
- (B) R-R:L-5: thirty (30) feet each;
- (C) R-R:L-10: fifty (50) feet each.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.045 - Setback Exception.

Any nonconforming parcel which is less than five (5) acres and which is zoned R-R:L-5 or R-R:L-10 shall observe a minimum front, side and rear yard of twenty (20) feet.

(Ord. No. 3639 (part), adopted 1987)

Sec. 20.048.050 - Building Height Limit.

Thirty-five (35) feet.

(Ord. No. 3639 (part) adopted 1987)



CALIFORNIA
ASSOCIATION
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SELLER PROPERTY QUESTIONNAIRE

(C.A.R. Form SPQ, Revised 6/18)

Replaces previous SPQ, dated 3/5/19.

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

I. Seller makes the following disclosures with regard to the real property or manufactured home described as
8207 East Road, Assessor's Parcel No. 163-140-14,

situated in Redwood Valley, County of Mendocino California ("Property").

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

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

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

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

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

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

A. **STATUTORILY OR CONTRACTUALLY REQUIRED OR RELATED:** **ARE YOU (SELLER) AWARE OF...**

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

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

Buyer's Initials BSJALCPA

Seller's Initials RH



Property Address: 8207 East Road, Redwood Valley, CA 95470Date: 07/16/2019**B. REPAIRS AND ALTERATIONS:****ARE YOU (SELLER) AWARE OF...**

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

Explanation: The main building was remodeled 10-12 years ago. No paint surfaces were scraped. The exterior was painted over.**C. STRUCTURAL, SYSTEMS AND APPLIANCES:****ARE YOU (SELLER) AWARE OF...**

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

Explanation: Installed new roof A/C unit. Roof leaked around the unit. The roof around the unit was repaired.**D. DISASTER RELIEF, INSURANCE OR CIVIL SETTLEMENT:****ARE YOU (SELLER) AWARE OF...**

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

Explanation: _____

E. WATER-RELATED AND MOLD ISSUES:**ARE YOU (SELLER) AWARE OF...**

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

Explanation: Roof A/C unit leaked. A/C was replaced and the roof around the unit was repaired.**F. PETS, ANIMALS AND PESTS:****ARE YOU (SELLER) AWARE OF...**

1. Pets on or in the Property ☐ Yes ☒ No
2. Problems with livestock, wildlife, insects or pests on or in the Property ☐ Yes ☒ No
3. Past or present odors, urine, feces, discoloration, stains, spots or damage in the Property, due to any of the above ☐ Yes ☒ No
4. Past or present treatment or eradication of pests or odors, or repair of damage due to any of the above. ☐ Yes ☒ No

If so, when and by whom _____

Explanation: _____

Buyer's Initials DS
BCW/CPA
 SPQ REVISED 6/16 (PAGE 2 OF 4)

Seller's Initials DS
RA ()

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Redwood Valley



Property Address: **8207 East Road, Redwood Valley, CA 95470**

Date: 07/16/2019

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

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

Explanation: _____

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

1. Diseases or infestations affecting trees, plants or vegetation on or near the Property ☐ Yes ☒ No
2. Operational sprinklers on the Property ☒ Yes ☐ No
 - (a) If yes, are they ☒ automatic or ☐ manually operated.
 - (b) If yes, are there any areas with trees, plants or vegetation not covered by the sprinkler system ... ☒ Yes ☐ No
3. A pool heater on the Property ☐ Yes ☒ No

If yes, is it operational? ☐ Yes ☐ No
4. A spa heater on the Property ☐ Yes ☒ No

If yes, is it operational? ☐ Yes ☐ No
5. Past or present defects, leaks, cracks, repairs or other problems with the sprinklers, pool, spa, waterfall, pond, stream, drainage or other water-related decor including any ancillary equipment, including pumps, filters, heaters and cleaning systems, even if repaired ☐ Yes ☒ No

Explanation: On the north side of the building, between the apartment and the main building, there are planters that do not have sprinklers. These areas were hand watered.**I. CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS AND OTHER SUBDIVISIONS: (IF APPLICABLE) N/A****ARE YOU (SELLER) AWARE OF...**

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

Explanation: _____

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

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

Explanation: _____

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

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

Buyer's Initials

BCW/CPA

Seller's Initials

DS
RH

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SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 3 OF 4)



Property Address: **8207 East Road, Redwood Valley, CA 95470**

Date: 07/16/2019

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

Explanation: _____

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

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

Explanation: _____

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

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

Explanation: _____

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

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

Seller Rodney Hobbs Redwood Valley, CA, Congregation of Date 7/16/2019 | 9:42 AM PDT
 Seller D68FE4BC253C42F... Date _____

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

Buyer By: Carmel J. Angelo, CEO / County Purchasing Agent County of Mendocino Date 7/16/2019
 Buyer A82204A40C6A0... Carmel J. Angelo, CEO / County Date _____

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Redwood Valley





CALIFORNIA
ASSOCIATION
OF REALTORS®

REAL ESTATE TRANSFER DISCLOSURE STATEMENT
(CALIFORNIA CIVIL CODE §1102, ET SEQ.)
(C.A.R. Form TDS, Revised 4/14)

THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF Redwood Valley, COUNTY OF Mendocino, STATE OF CALIFORNIA, DESCRIBED AS 8207 East Road, Redwood Valley, CA 95470.

THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE WITH SECTION 1102 OF THE CIVIL CODE AS OF (date) 3-6-2019. IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.

I. COORDINATION WITH OTHER DISCLOSURE FORMS

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

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

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

II. SELLER'S INFORMATION

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

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

Seller ☐ is ☐ is not occupying the property.

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

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

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

(*see note on page 2)

Buyer's Initials BC SAC/CPA
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Seller's Initials RH _____



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

RE/MAX Full Spectrum, Commercial Division, Post Office Box 873 Ukiah, CA 95482
Lynn Mc Namara

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Phone: 707.621.4265

Fax: 707.3130373

Redwood Valley

Property Address: 8207 East Road, Redwood Valley, CA 95470Date: 3-6-2019

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

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

(Describe: _____)

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

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

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

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

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

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

Buyer's Initials BSA/CPA

Seller's Initials RH

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

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Redwood Valley



DocuSign Envelope ID: 870CB8F5-75B2-4355-9A7E-85BE8B203C53

Property Address: 8207 East Road, Redwood Valley, CA 95470

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

Seller By: [Signature]Date: 3-6-2019

Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc.

Date 3-6-2019

Seller

Date

III. AGENT'S INSPECTION DISCLOSURE

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

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

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

☒ To be provided during escrow.Agent (Broker Representing Seller) RE/MAX, Full Spectrum
(Please Print)DocuSigned by:
Lynn McNamara

(Associate Licensee or Broker Signature)

Lynn McNamara

Date 7/11/2019**IV. AGENT'S INSPECTION DISCLOSURE**

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

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

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

☒ To be provided during escrow.Agent (Broker Obtaining the Offer) RE/MAX FULL SPECTRUM, Ukiah
(Please Print)DocuSigned by:
Lynn McNamara Agent/Tom Larson Broker
(Associate Licensee or Broker Signature)Date 7/11/2019**V. BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND/OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN BUYER AND SELLER(S) WITH RESPECT TO ANY ADVICE/INSPECTIONS/DEFECTS.****I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT**Seller By: [Signature] Date 3-6-2019 Buyer County of MendocinoDate 7/15/2019

Redwood Valley CA, Congregation of Jehovah's

Date

Buyer

DocuSigned by:
By: Carmel J. Angelo, CEO / County Purchasing Agent

Date

Agent (Broker Representing Seller) RE/MAX, Full Spectrum
(Please Print)DocuSigned by:
Lynn McNamara
(Associate Licensee or Broker Signature)Date 7/11/2019Agent (Broker Obtaining the Offer) RE/MAX, Full Spectrum
(Please Print)DocuSigned by:
Lynn McNamara
(Associate Licensee or Broker Signature)Date 7/11/2019**SECTION 1102.3 OF THE CIVIL CODE PROVIDES A BUYER WITH THE RIGHT TO RESCIND A PURCHASE CONTRACT FOR AT LEAST THREE DAYS AFTER THE DELIVERY OF THIS DISCLOSURE IF DELIVERY OCCURS AFTER THE SIGNING OF AN OFFER TO PURCHASE. IF YOU WISH TO RESCIND THE CONTRACT, YOU MUST ACT WITHIN THE PRESCRIBED PERIOD.****A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.**

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Redwood Valley



"AS IS" ADDENDUM and RELEASE OF LIABILITY
For "Property": 8207 East Road, Redwood Valley, CA 95470

This ADDENDUM is made part of that Real Estate Purchase Contract and Receipt for Deposit.

"AS IS" Sale. In further consideration of the price and terms of sale of the Property, Purchaser and Seller agree that: (1) Purchaser is purchasing the Property "AS IS" with "ALL FAULTS," that is, in its physical nature and condition as of the date of the execution of this Agreement; (2) Seller **has** occupied the Property and makes no warranties or representations concerning the physical nature or condition of the Property; (3) except as set forth in this Agreement, Seller has not made any representation to Purchaser, either directly or through any agent, as to the physical nature or condition of the Property; and (4) Purchaser shall have the right to fully inspect the Property at all reasonable times prior to Closing.

CONVEYANCE. Seller shall convey title by Grant Deed or its equivalent.

ZONING AND USE. This ADDENDUM is intended by Buyer and Seller to supersede and render without force or effect (a) any representations or provisions in the Deposit Receipt which would have otherwise made Seller responsible for present zoning or future desired zoning changes. Buyer has verified with the property authorities current zoning and use, along with verification for the desired future zoning and use. Buyer has satisfied themselves with the proper authorities and releases the Seller and its agents of any liability regarding any future findings related to the present zoning and any future rezone and use of said property, (b) all provisions under which the Seller would have warranted that the property and its components, systems and appliances are operative, in working order, and free of damage or defect.

INSPECTIONS. Buyer acknowledges the importance of, and takes responsibility for, obtaining full and comprehensive inspections of the Property by competent, professional contractors, inspectors and other experts, and warrants that Buyer's decision to purchase the Property is being made in reliance thereon, and not on any representation made by Seller or Seller's agent.

ASBESTOS AND TOXINS. Seller makes no representation or warranty as to whether the Property contains asbestos or any other harmful or toxic substances. Further, to the extent that Seller gives or has given to the Purchaser any information from, or copy of, any inspection, engineering or environmental report concerning asbestos or any other harmful or toxic substances, Seller makes no representation or warranty with respect to the accuracy, completeness, methodology, preparation or any other aspect of the content of any such report. Buyer waives and releases Seller from all present or future claims arising from or relating to the presence or alleged presence of asbestos or any other harmful or toxic substances in, on, under or about the Property including, without limitation, any claim under or on account of any Federal, State or local law, ordinance, rule or regulation, now or hereafter in effect. The terms and provisions of this section of the Agreement shall survive the Closing.

REPAIRS OR MODIFICATIONS. Buyer understands that Seller will not be undertaking any repairs or modification or providing any warranty of any kind as to any part of the Property, unless such exceptions are set forth in writing in another written addendum to the Purchase Contract.

Buyer hereby agrees that after having obtained and approved all said inspections and reports as he/she may desire, that he/she agrees to release the Seller and its agents from all liability concerning the condition of the property and agrees to assume sole responsibility for the property.

Buyers signing of final escrow papers and closing this transaction shall conclusively be considered final approval and shall confirm Buyer's assumption of responsibility and Release of Liability for Seller and agents.


In the event of any inconsistency or conflict between the terms and provisions of this Addendum and those contained in the Purchase Contract to which this Addendum is attached, the terms and provisions of this Addendum shall govern and be binding. Further, in the event of any inconsistency or conflict between the terms and provisions of this Addendum and those contained in any other Addenda attached to the Purchase Contract to which this Addendum is attached, the terms and provisions of this Addendum shall govern and be binding.

County of Mendocino

Buyer _____ Date _____

DocuSigned by:

 Rodney Hobbs
 Seller ABC253C42F... _____ Date 3/22/2019

DocuSigned by:

 By: Carmel J. Angelo, CEO / County Purchasing Agent
 A82A04A4F0C8400... _____ Date 3/15/2019

Seller _____ Date _____



MARKET CONDITIONS ADVISORY

(C.A.R. Form MCA, Revised 11/11)

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

2. BUYER CONSIDERATIONS:

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

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

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

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

Buyer's Initials (BLM/CPA)

Seller's Initials (RLH) (_____)



Property Address: **8207 East Road, Redwood Valley, CA 95470**Date: **March 1, 2019**

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

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

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

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

3. SELLER CONSIDERATIONS:

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

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

County of Mendocino		Date	
Buyer	DocuSigned by: By: <i>Carmel J. Angelo, CEO / County Purchasing Agent</i>	Date	7/15/2019
Buyer	DocuSigned by: By: <i>Rodney Hobbs</i>	Date	3/22/2019
Seller	Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc.	Date	
Seller		Date	

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MARKET CONDITIONS ADVISORY (MCA PAGE 2 OF 2)

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Redwood Valley

Offer Instructions & Receipt for Documents (v2)

8207 East Road, Redwood Valley, CA 95470

- Submit with offer (C.A.R. Form only): Buyer's pre-approval letter and verification of down payment funds
- Submit all disclosure pages indexed below signed/initialed by Buyer and Buyer's agent, where indicated
- Submit the COMPLETE offer package
- Seller will choose escrow and title
- Buyer and Seller each to pay their own escrow and title costs

	Description	Page Qty.
	Receipt for Documents	1
	Disclosure Regarding Real Estate Agency Relationship (Buyer) (AD)	2
	Possible Representation of More Than One Buyer or Seller (PRBS)	1
	Wire Fraud Advisory (WFA)	1
	Buyer's Inspection Advisory (BIA)	1
	Representative Capacity Signature Disclosure (RCSD-B), if applicable	1
	Representative Capacity Signature Disclosure (RCSD-S)	1
	"As-Is" Addendum	1
	Release, Indemnity and Hold Harmless Agreement	1
	Statewide Buyer and Seller Advisory (SBSA)	14
	Seller Property Questionnaire (SPQ)	4
	Real Estate Transfer Disclosure Statement	3
	Natural Hazard Disclosure	1
	Commercial Property Earthquake Disclosure Report	2
	Energy Rating Booklet Signature Page	1
	Market Condition Advisory (MCA)	2
	Lead-Based Paint and Lead-Based Paint Hazards Disclosure	2
	Buyer Inspection Election Form (BIE)	1
	Buyer's Pre-Approval Letter, if applicable	1
	Buyer's Proof of Funds (Bank statement within 30 days)	1

The undersigned acknowledges receipt of the above disclosures and reports.

Buyer is advised to independently verify information regarding the property through their own investigations and/or consulting with those who created the reports.

Buyer's Signature:	County of Mendocino	Date: _____
Buyer's Signature:	<small>DocuSigned by:</small> <i>By: Carmel J. Angelo, CEO / County Purchasing Agent</i> <small>A82A04A4F0C8400...</small>	Date: <u>7/15/2019</u>
Buyer's Agent's Signature:	<small>DocuSigned by:</small> <i>Lynn McNamara</i> <small>CF1E27DB96704B7...</small>	Date: <u>7/11/2019</u>

RELEASE, INDEMNITY, AND HOLD HARMLESS AGREEMENT

For: 8207 East Road, Redwood Valley, CA 95470

In my decision to purchase this property, I have relied solely upon my own due diligence and the advice of my own representatives, including my attorney, inspectors, and Realtor. I therefore agree to release, indemnify, and hold Seller and Seller's Realtors, agents, and representatives harmless for any negligence, misrepresentation, or failure to disclose any information about the property or about any condition of the property, the neighborhood, or the community, that could influence my decision to purchase the property.

Seller shall convey title by Grant Deed or its equivalent. Seller reserves the right to sever and retain all Oil, Gas, and other Minerals rights owned by Seller, if any.

This Release, Indemnity, and Hold Harmless Agreement is being executed contemporaneously with the Purchase Agreement and controls over any provision in the Agreement to the contrary, including any representation made in the Agreement about the property or about any condition thereof that could influence my decision to purchase the property.

In the event of litigation, each party to bear his/her/its own fees and costs.

County of Mendocino

Purchaser

Date

DocuSigned by:

By: Carmel J. Angelo, CEO / County Purchasing Agent

AS2AM4AF0CB400

Purchaser

7/15/2019

Signed

Date



CALIFORNIA
ASSOCIATION
OF REALTORS®

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

Property Address: **8207 East Road, Redwood Valley, CA 95470**

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

WATER HEATER STATEMENT OF COMPLIANCE

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

Seller Rodney Hobbs Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc. Date 7/16/2019 | 9:42
(Signature) (Print Name)
Seller _____ Date _____
(Signature) (Print Name)

The undersigned hereby acknowledge(s) receipt of a copy of this document.
County of Mendocino

Buyer _____ Date _____
(Signature) (Print Name)
Buyer By: Carmel J. Angelo, CEO / County Purchasing Agent By: Carmel J. Angelo, CEO / County Purchasing Agent Date 7/15/2019
(Signature) (Print Name)

SMOKE DETECTOR STATEMENT OF COMPLIANCE

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

Seller Rodney Hobbs Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc. Date 7/16/2019 | 9:42
(Signature) (Print Name)
Seller _____ Date _____
(Signature) (Print Name)

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

Buyer _____ Date _____
(Signature) (Print Name)
Buyer By: Carmel J. Angelo, CEO / County Purchasing Agent By: Carmel J. Angelo, CEO / County Purchasing Agent Date 7/15/2019
(Signature) (Print Name)

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WHSD REVISED 11/10 (PAGE 1 OF 1)

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

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Lynn Mc Namara

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Redwood Valley





CALIFORNIA
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STATEWIDE BUYER AND SELLER ADVISORY
(This Form Does Not Replace Local Condition Disclosures.
Additional Advisories or Disclosures May Be Attached)
(C.A.R. Form SBSA, Revised 6/18)

BUYER RIGHTS AND DUTIES:

- The physical condition of the land and improvements being purchased are not guaranteed by Seller or Brokers.
 - You should conduct thorough investigations of the Property both personally and with appropriate professionals.
 - If professionals recommend further inspections, you should contact qualified experts to conduct such inspections.
 - You should retain your own professional even if Seller or Broker has provided you with existing reports.
 - You should read all written reports given to you and discuss those reports with the persons who prepared them. It is possible that different reports provided to you contain conflicting information. If there are discrepancies between reports, disclosures or other information, you are responsible for contacting appropriate professionals to confirm the accuracy of correctness of the reports, disclosures or information.
 - You have the right to request that the Seller make repairs or corrections or take other actions based on inspections or disclosures, but the Seller is not obligated to respond to you or make any such repairs, corrections or other requested actions.
 - If the Seller is unwilling or unable to satisfy your requests, and you act within certain time periods, you may have the right to cancel the Agreement (the Purchase Agreement and any Counter Offer and Addenda together are the "Agreement"). If you cancel outside of these periods, you may be in breach of the Agreement and your deposit might be at risk.
 - You are advised to seek legal, tax, and other assistance from appropriate professionals in order to fully understand the implications of any documents or actions during the transaction. If you are doing a 1031 exchange, you are advised to contact an exchange accommodator to discuss the proper method and timing of the exchange.
 - The terms of the Agreement and any counter offers and addenda establish your rights and responsibilities.
- YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**

SELLER RIGHTS AND DUTIES:

- You have a duty to disclose material facts known to you that affect the value or desirability of the Property.
- You are obligated to make the Property available to the Buyer and have utilities on for inspections as allowed by the Agreement.
- This form is not a substitute for completing a Real Estate Transfer Disclosure Statement, if required, and any other property-specific questionnaires or disclosures.
- The terms of the Agreement establish your rights and responsibilities.
- You are advised to seek legal, tax, and other assistance from appropriate professionals in order to fully understand the implications of any documents or actions during the transaction. If you are doing a 1031 exchange, you are advised to contact an exchange accommodator to discuss the proper method and timing of the exchange.

BROKER RIGHTS AND DUTIES:

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



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Notice: This Statewide Buyer and Seller Advisory is 14 pages and addresses the following topics. All paragraphs are important. Buyer and Seller are encouraged to read each one carefully.

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G. Local Disclosures and Advisories (Page 14)	As may be attached.

A. Investigation of Physical Conditions

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

SBSA REVISED 6/18 (PAGE 2 OF 14)

STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 2 OF 14)

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Redwood Valley



2. ENVIRONMENTAL HAZARDS: Buyer and Seller are advised that the presence of certain kinds of organisms, toxins and contaminants, including, but not limited to, mold (airborne, toxic or otherwise), fungi, mildew, lead-based paint and other lead contamination, asbestos, formaldehyde, radon, pcb's, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, urea formaldehyde, or other materials may adversely affect the Property and the health of individuals who live on or work at the property as well as pets. Some municipalities may impose additional requirements regarding underground storage tanks, which may be more common in certain areas and cities throughout the State, especially where there are larger, older homes built before 1935. It is possible that these tanks, either now or in the future, may require inspections or abatement. If Buyer wants further information, Buyer is advised, and Broker(s) recommends, that Buyer have the Property inspected for the existence of such conditions and organisms, and conditions that may lead to their formation. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Buyer is also advised to consult with appropriate experts regarding this topic during Buyer's inspection contingency period. Broker recommends that Buyer and Seller read the booklets titled, "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants," and "Protect Your Family From Lead In Your Home." Brokers do not have expertise in this area.

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

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

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



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

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

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

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

10. SQUARE FOOTAGE, LOT SIZE, BOUNDARIES AND SURVEYS: Buyer and Seller are advised that only an appraiser or land surveyor, as applicable, can reliably confirm square footage, lot size, Property corners and exact boundaries of the Property. Representations regarding these items that are made in a Multiple Listing Service, advertisements, and from property tax assessor records are often approximations, or based upon inaccurate or incomplete records. Fences, hedges, walls or other barriers may not represent actual boundary lines. Unless otherwise specified by Broker in writing, Brokers have not verified any such boundary lines or any representations made by Seller or others concerning square footage, lot size, Property corners or exact boundaries. Standard title insurance does not insure the boundaries of the Property. If the exact square footage or lot size or location of Property corners or boundaries is an important consideration in Buyer’s decision to purchase the Property and/or how much Buyer is willing to pay for the Property, then Buyer must independently conduct Buyer’s own investigation through appropriate professionals, appraisers, or licensed surveyors and rely solely on their data, recognizing that all measurements may not be consistent and that different sources may have different size assessments. Brokers do not have expertise in this area.



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

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

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

B. Property Use and Ownership

1. ACCESSORY DWELLING UNITS: Accessory Dwelling Units (ADUs) are known by many names: granny flats, in-law units, backyard cottages, secondary units and more. California has passed laws to promote the development of ADUs. Additional information about ADUs can be found at <http://hcd.ca.gov/policy-research/AccessoryDwellingUnits.shtml>. Buyer is advised to check with appropriate government agencies or third party professionals to verify permits and legal requirements and the effect of such requirements on current and future use and rentability of the Property, its development and size. Brokers do not have expertise in this area.

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

3. BUYER INTENDED FUTURE USE OF, AND MODIFICATIONS TO, THE PROPERTY: Buyer and Seller are advised that Seller's existing use of the property may not be consistent with Buyer's intended use or any future use that Buyer makes of the property, whether or not Buyer has any current plans to change the use. Buyer is advised to check with appropriate government agencies or third party professionals to verify what legal requirements are needed to accommodate any change in use. In addition, neither Seller nor Broker make any representations as to what modifications Buyer can make to the Property after close of escrow as well as any cost factors associated with any such modifications. Buyer is advised to check with his own licensed contractor and other such professionals as well as with the appropriate government agencies to determine what modifications Buyer will be allowed to make after close of escrow. Brokers do not have expertise in this area.

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



5. FUTURE REPAIRS, REPLACEMENTS AND REMODELS: Buyer and Seller are advised that replacement or repairs of certain systems or rebuilding or remodeling of all or a portion of the Property may trigger requirements that homeowners comply with laws and regulations that either come into effect after Close of Escrow or are not required to be complied with until the replacement, repair, rebuild or remodel has occurred. Permit or code requirements or building standards may change after Close of Escrow, resulting in increasing costs to repair existing features. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

6. HEATING VENTILATING AND AIR CONDITIONING SYSTEMS: Changes to state and federal energy efficiency regulations impact the installation, replacement and some repairs of heating and air conditioning units (HVAC). Federal regulations now require manufacturers of HVAC units to produce only units meeting a new higher Seasonal Energy Efficiency Rating (SEER). This will likely impact repairs and replacements of existing HVAC units. State regulations now require that when installing or replacing HVAC units, with some exceptions, duct work must be tested for leaks. Duct work leaking more than 15 percent must be repaired to reduce leaks. The average existing duct work typically leaks 30 percent. More information is available at the California Energy Commission's website <http://www.energy.ca.gov/title24/changeout>. Home warranty policies may not cover such inspections or repairs. The phase out of the use of R-22 Freon will have an impact on repairs and replacement of existing air conditioning units and heat pumps. More information is available from the Environmental Protection Agency at <http://www.epa.gov/ozone/title6/phaseout/22phaseout.html>. New efficiency standards are also in place for water heaters. As a consequence, replacement water heaters will generally be larger than existing units and may not fit in the existing space. Additional venting and other modifications may be required as well. More information is available from the U.S. Department of Energy at http://www1.eere.energy.gov/buildings/appliance_standards/product.aspx/productid/27. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

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

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

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



10. MARIJUANA, CANNABIS, AND METHAMPHETAMINE LABS: Buyer and Seller are advised that California law permits individual patients to cultivate, possess and use marijuana for medical purposes. Furthermore, California law permits primary caregivers, lawfully organized cooperatives, and collectives to cultivate, distribute and possess marijuana for medicinal purposes. California law also allows recreational use of marijuana for adults, as well as limited rights for individuals to grow and cultivate marijuana, and rights of others, subject to a licensing process, to grow, cultivate and distribute marijuana for recreational use. California's medical and recreational marijuana laws are in direct conflict with federal law which recognizes no lawful use for marijuana and has no exemptions for medical use. Federal criminal penalties, some of which mandate prison time, remain in effect for the possession, cultivation and distribution of marijuana. Buyer and Seller are strongly advised to seek legal counsel as to the legal risks and issues surrounding owning or purchasing a property where medical or any other marijuana activity is taking place. Marijuana storage, cultivation and processing carry the risk of causing mold, fungus or moisture damage to a property, additionally, some properties where marijuana has been cultivated have had alterations to the structure or the electrical system which may not have been done to code or with permits and may affect the safety of the structure or the safe operation of the electrical system. Buyer is strongly advised to retain an environmental hygienist contractor and other appropriate professionals to inspect a property where medical or any other marijuana activity has taken place. Broker recommends that Buyer and Seller involved with a property where there is medical marijuana activity or where it may take place review the California Attorney General's Guidelines for the "Security and Non-Diversion of Marijuana Grown for Medical Use" (https://oag.ca.gov/system/files/attachments/press_releases/n1601_medicalmarijuanaguidelines.pdf) and the U.S. Department of Justice memo regarding marijuana prosecutions at <https://www.justice.gov/opa/press-release/file/1022196/download>. Brokers do not have expertise in this area. While no state law permits the private production of methamphetamine, some properties have been the site of an illegal methamphetamine laboratory. State law imposes an obligation to notify occupants, a ban on occupying the property and clean up requirements when authorities identify a property as being contaminated by methamphetamine. Buyer is advised that a property where methamphetamine has been produced may pose a very serious health risk to occupants. Buyer is strongly advised to retain an environmental hygienist contractor or other appropriate professionals to inspect the property if methamphetamine production is suspected to have taken place. Brokers do not have expertise in this area.

11. OWNER'S TITLE INSURANCE: The Truth in Lending/RESPA integrated disclosure (TRID) established by the Consumer Financial Protection Bureau (CFPB) requires that lenders must tell borrowers that title insurance is "optional." While obtaining an owner's policy of title insurance may be "optional", it may be a contractual requirement as between Buyer and Seller. Furthermore, California Civil Code § 1057.6 requires that Buyers be provided with the following notice: "IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING."

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

Buyers who decide to opt out of obtaining an owner's title insurance policy are acting against the advice of Brokers as well as the advice provided in the California Civil Code 1057.6 and by the CFPB. Brokers do not have expertise in this area.

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

13. RETROFIT, BUILDING REQUIREMENTS, AND POINT OF SALE REQUIREMENTS: Buyer and Seller are advised that state and local Law may require (i) the installation of operable smoke detectors, (ii) bracing or strapping of water heaters, and (iii) upon sale completion of a corresponding written statement of compliance that is delivered to Buyer. Although not a point of sale or retrofit obligation, state law may require the property to have operable carbon monoxide detection devices. Additionally, some city and county governments may impose additional retrofit standards at time of sale including, but not limited to, installing or retrofitting low-flow toilets and showerheads, gas shut-off valves, fireplaces, and tempered glass. Further, there may be potential health impacts from air pollution caused from burning wood. Exposure to particulate matter from the smoke may cause short-term and long-term health effects. Buyers should consult with licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace. Broker(s) recommend that Buyer and Seller consult with the appropriate government agencies, inspectors, and other professionals to determine the retrofit standards for the Property, the extent to which the Property complies with such standards, and the costs, if any, of compliance. Brokers do not have expertise in this area.



14. SHORT TERM RENTALS AND RESTRICTIONS: Buyer and Seller are advised that some cities, counties and Homeowner Associations (HOAs) do impose or may impose restrictions that limit or prohibit the right of the owner or occupant to rent-out the Property for short periods of time (usually 30 Days or less). In short term rentals, as well as all rentals, Buyer and Seller are advised to seek assistance to ensure compliance with all fair housing laws and regulations. If Buyer wants further information, Broker(s) recommend that Buyer investigate the issue with an appropriate government authority or HOA during Buyer's inspection contingency period. Brokers do not have expertise in this area.

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

16. SWIMMING POOL, SECURITY AND SAFETY: Buyer and Seller are advised that state and local Law may require the installation of barriers, anti-entrapment grates, access alarms, self-latching mechanisms, pool covers, exit alarms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property may not be in compliance with these requirements. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions and other requirements. State law requires that new pools and spas be equipped with at least two of seven specified drowning prevention safety features. Home inspectors have a statutory obligation to perform a non-invasive physical examination of the pool area to identify which safety features are present. Brokers do not have expertise in this area.

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

18. 1915 IMPROVEMENT BOND MELLO-ROOS COMMUNITY DISTRICT, AND OTHER ASSESSMENT DISTRICTS: Buyer and Seller are advised that the Property may be subject to an improvement bond assessment under the Improvement Bond Act of 1915, a levy of a special tax pursuant to a Mello-Roos Community Facilities district, and/or a contractual assessment as provided in Section 5898.24 of the Streets And Highways Code or other assessment districts. Seller is generally required to make a good faith effort to obtain a disclosure notice from any local agency collecting such taxes and deliver such notice to Buyers. If there is a question as to whether an existing bond or assessment will be prorated as of the close of escrow, or whether Seller will pay off the bond or assessment at close of escrow, Buyers are advised to discuss the matter with the appropriate entity and address the responsibility for payment in negotiations for the purchase agreement or amendment prior to removing contingencies. Some cities and other localities have begun, or have the intention to begin, the process of requiring the replacement of utility poles by requiring that utility lines be buried underground. These projects can result in special tax assessments and set-up costs that are imposed on individual property owners. Brokers do not have expertise in this area.

C. Off-Site and Neighborhood Conditions

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

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STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 8 OF 14)

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Redwood Valley



golf course may be restricted or otherwise reduced by the local water agency. If Buyer wants further information, Broker(s) recommend that Buyer contact the local water agency regarding this matter. Brokers do not have expertise in this area.

2. NEIGHBORHOOD, AREA, PERSONAL FACTORS, BUYER INTENDED USE, HIGH SPEED RAILS, AND SMOKING RESTRICTIONS: Buyer and Seller are advised that the following may affect the Property or Buyer's intended use of it: neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to medical marijuana growing or distribution locations, cell phone towers, manufacturing, commercial, industrial, airport or agricultural activities or military ordnance locations, existing and proposed transportation, construction, and development, any other source that may affect noise, view, traffic, or odor, wild and domestic animals, susceptibility to tsunami and adequacy of tsunami warnings, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally-protected sites or improvements, cemeteries, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer and FAA requirements for recreational and non-recreational use of Unmanned Aircraft Systems (UAS) (drones) (see UAS frequently asked questions <http://www.faa.gov/uas/faqs/>). California is potentially moving toward high speed rail service between Northern and Southern California. This rail line could have an impact on the Property if it is located nearby. More information on the timing of the project and routes is available from the California High-Speed Rail Authority at www.cahighspeedrail.ca.gov/. The State of California has long-standing no smoking laws in place restricting smoking in most business and some public spaces. Local jurisdictions may enact laws that are more restrictive than state law. Many California cities have enacted restrictions on smoking in parks, public sidewalks, beaches and shopping areas. Some jurisdictions have restrictions entirely banning smoking inside privately owned apartments and condominiums as well as in the common areas of such structures, or limiting smoking to certain designated areas. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions. Brokers do not have expertise in this area.

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

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

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

D. Legal Requirements (Federal, State and Local)

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

2. EARTHQUAKE FAULT ZONES AND SEISMIC HAZARD ZONES: Buyer and Seller are advised that California Public Resources Code Sections 2622 and 2696 require the delineation and mapping of "Earthquake Fault Zones" along known active faults and "Seismic Hazard Zones" in California. Affected cities and counties must regulate certain development projects within these zones. Construction or development on affected properties may be subject to the findings of a geological

report prepared by a registered California geologist. Generally, Seller must disclose if the Property is in such a zone and can use a research company to aid in the process. If Buyer wants further information, Broker recommends that,



during Buyer's inspection contingency period, Buyer make independent inquiries with such research companies or with appropriate government agencies concerning the use and improvement of the Property. Buyer is advised that there is a potential for earthquakes and seismic hazards even outside designated zones. Brokers do not have expertise in this area.

3. EPA's LEAD-BASED PAINT RENOVATION, REPAIR AND PAINTING RULE: The new rule requires that contractors and maintenance professionals working in pre-1978 housing, child care facilities, and schools with lead-based paint be certified; that their employees be trained; and that they follow protective work practice standards. The rule applies to renovation, repair, or painting activities affecting more than six square feet of lead-based paint in a room or more than 20 square feet of lead-based paint on the exterior. Enforcement of the rule begins October 1, 2010. See the EPA website at <http://www.epa.gov/lead> for more information. Buyer and Seller are advised to consult an appropriate professional. Brokers do not have expertise in this area.

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

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

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

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

8. NOTICE OF YOUR SUPPLEMENTAL PROPERTY TAX BILL; ACCURATE SALES PRICE REPORTING: Buyer and Seller are advised that pursuant to Civil Code § 1102.6(c), Seller, or his or her agent, is required to provide the following notice to the Buyer:

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

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



Although the notice refers to loan closing as a trigger, it is actually the change of ownership which triggers this reassessment of property taxes. Therefore, the Property can be reassessed even if there is no loan involved in the purchase of the Property. The Purchase Agreement may allocate supplemental tax bills received after the Close of Escrow to the Buyer. A change (preliminary change) of ownership form is generally required to be filed by the Buyer with the local taxing agency. The form identifies the sales price of the Property. An assessor may value the Property at its fair market value regardless of the sales price declared by the Buyer. If Buyer wants further information concerning these matters, Broker(s) recommend that Buyer discuss the issue with the County Assessor or Tax Collector or their own tax or legal advisor. Brokers do not have expertise in this area.

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

E. Contract Related Issues and Terms

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

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

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

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

5. IDENTIFICATION OF NATURAL PERSONS BEHIND SHELL COMPANIES IN ALL-CASH TRANSACTIONS: The U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) has issued Geographic Targeting Orders (GTOs) targeting alleged money laundering risk in the real estate sector. The GTOs will temporarily require U.S. title insurance companies to identify the natural persons behind shell companies used to pay "all cash" for high-end residential real estate in certain major metropolitan areas. FinCEN explained that it remains concerned that all-cash purchases (i.e., those without bank financing) may be conducted by individuals attempting to hide their assets and identity by purchasing residential properties through limited liability companies or other similar structures. Since the



original issuance, the GTOs have been renewed and may continue to be renewed. The GTOs cover the following areas in California: Los Angeles, San Francisco, San Mateo, Santa Clara and San Diego Counties. The monetary thresholds for each county is \$2 million. GTOs have helped law enforcement identify possible illicit activity. FinCEN reported that a significant portion of covered transactions have dictated possible criminal activity associated with the individuals reported to be the beneficial owners behind shell company purchasers. Brokers do not have expertise in this area.

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

7. MEDIATION: Buyer and Seller are advised that mediation is a process by which the parties hire a neutral person to facilitate discussion and negotiation between the parties with the goal of helping them reach a settlement of their dispute. The parties generally share in the cost of this confidential, non-binding negotiation. If no agreement is reached, either party can pursue further legal action. Under C.A.R. Form RPA-CA: (i) the parties must mediate any dispute arising out of their agreement (with a few limited exceptions, such as matters within the jurisdiction of a small claims court) before they resort to arbitration or court, and (ii) if a party proceeds to arbitration or court without having first attempted to mediate the dispute, that party risks losing the right to recover attorney fees and costs even if he or she prevails. Brokers do not have expertise in this area.

8. NON CONFIDENTIALITY OF OFFERS: Buyer is advised that Seller or Listing Agent may disclose the existence, terms, or conditions of Buyer's offer, unless all parties and their agent have signed a written confidentiality agreement (such as C.A.R. Form CND). Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the Listing Agent's marketing strategy and the instructions of the Seller. Brokers do not have expertise in this area.

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

F. Other Factors Affecting Property

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

2. GENERAL RECALL/DEFECTIVE PRODUCT/CLASS ACTION INFORMATION: Buyer and Seller are advised that government entities and manufacturers may at any time issue recall notices and/or warnings about products that may be present in the Property, and that these notices or warnings can change. The following nonexclusive, non-exhaustive list contains examples of recalled/defective products/class action information: horizontal furnaces, Whirlpool Microwave Hood Combination; RE-ConBuilding products roof tiles; Central Sprinkler Company Fire Sprinklers; Robert Shaw Water Heater Gas Control Valves; Trex Decking; water heaters; aluminum wiring; galvanized, abs, polybutylene PEX, KITEC® and copper pipe; and dry wall manufactured in China. There is no single, all-inclusive source of information on product recalls, defective products or class actions; however, the U.S. Consumer Product Safety Commission (CPSC) maintains a website that contains useful information. If Buyer wants further information regarding the items listed above, Broker(s) recommend that Buyer review the CPSC website at <http://www.cpsc.gov/> during Buyer's inspection contingency period. Another source affiliated with the CPSC is <http://saferproducts.gov/> which allows a Buyer to search by product type or product name. Buyer may also search using the various search engines on the Internet for the specified product



or products in question. Brokers recommend that Buyer satisfy themselves regarding recalled or defective products. Brokers will not determine if any aspect of the Property is subject to a recall or is affected by a class action lawsuit. Brokers do not have expertise in this area.

3. HOMEOWNER ASSOCIATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS ("CC&Rs"); CHARGING STATIONS; FHA/VA APPROVAL: Buyer and Seller are advised that if the Property is a condominium, or located in a planned unit development, or in a common interest subdivision, there are typically restrictions on use of the Property and rules that must be followed. Restrictions and rules are commonly found in Declarations and other governing documents. Further there is likely to be a homeowner association (HOA) that has the authority to affect the Property and its use. Whether or not there is a HOA, the Property may still be subject to CC&Rs restricting use of the Property. The HOA typically has the authority to enforce the rules of the association, assess monetary payments (both regular monthly dues and special assessments) to provide for the upkeep and maintenance of the common areas, and enforce the rules and assessment obligations. If you fail to abide by the rules or pay monies owed to the HOA, the HOA may put a lien against your Property. Additionally, if an electric vehicle charging station is installed in a common area or an exclusive use common area, each Seller whose parking space is on or near that charging station must disclose its existence and that the Buyer will have the responsibilities set forth in California Civil Code §4745. The law requires the Seller to provide the Buyer with the CC&Rs and other governing documents, as well as a copy of the HOA's current financial statement and operating budget, among other documents. Effective July 1, 2016, a Common Interest Development (CID) will be required to include in its annual budget report a separate statement describing the status of the CID as a Federal Housing Administration or Department of Veterans Affairs approved Development. While the purchase agreement and the law require that the annual budget be provided by Seller to Buyer, Brokers will not and cannot verify the accuracy of information provided by the CID. Buyer is advised to carefully review all HOA documents provided by Seller and the CC&Rs, if any, and satisfy him/herself regarding the use and restrictions of the Property, the amount of monthly dues and/or assessments, the adequacy of reserves, current and past insurance coverage and claims, and the possibility of any legal action that may be taken by or against the HOA. The HOA may not have insurance or may not cover personal property belonging to the owner of the unit in the condominium, common interest or planned unit development. For more information Buyer may request from Broker the C.A.R. Legal Q&A titled: "Homeowners' Associations: A Guide for REALTORS®". Brokers do not have expertise in this area.

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

5. MARKETING; INTERNET ADVERTISING; INTERNET BLOGS; SOCIAL MEDIA: Buyer and Seller are advised that Broker may employ a "staging" company to assist in the presentation of the Property. The furnishings and decorations in the staging are generally not included in the sale unless specifically noted in the Agreement. Statements and inclusion in the MLS entry, flyers, and other marketing materials are NOT part of the Agreement. In addition, Broker may employ a service to provide a "virtual tour" or "virtual staging" or Internet marketing of the Property, permitting potential buyers to view the Property over the Internet. While they are supposed to be an accurate representation of the property, the photos may be enhanced and not fully representative of the actual condition of the property. Further, neither the service provider nor Broker have total control over who will obtain access to materials placed on the internet or what action such persons might take. Additionally, some Internet sites and other social media provide formats for comments or opinions of value of properties that are for sale. Information on the Property, or its owner, neighborhood, or any homeowner association having governance over the Property may be found on the internet on individual or commercial web sites, blogs, Facebook pages, or other social media. Any such information may be accurate, speculative, truthful or lies, and it may or may not reflect the opinions or representations by the Broker. Broker will not investigate any such sites, blogs, social media or other internet sites or the representations contained therein. Buyer is advised to make an independent search of electronic media and online sources prior to removing any investigation contingency. Buyer and Seller are advised that Broker has no control over how long the information or photos concerning the Property will be available on the Internet or through social media, and Broker will not be responsible for removing any such content from the internet or MLS. Brokers do not have expertise in this area.

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



7. RE-KEYING: All locks should be re-keyed immediately upon close of escrow so as to ensure the Buyer's safety and security of their persons as well as their personal belongings. Alarms, if any, should be serviced by professionals and codes should be changed. Garage door openers and remotes should be re-coded. In the event of a lease back to Seller after the close of escrow, Seller is advised that the Buyer is entitled to the keys as the Owner of the Property even though the Seller stays in possession of the Property as provided in the RPA.

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

9. RECORDING DEVICES: Audio or video recording devices or both may be present on the Property, whether or not notice of any such devices has been posted. Seller may or may not even be aware of the capability of such devices.

G. Local Disclosures and Advisories

1. LOCAL ADVISORIES OR DISCLOSURES (IF CHECKED):

The following disclosures or advisories are attached:

- A. ☐
- B. ☐
- C. ☐
- D. ☐

Buyer and Seller are encouraged to read all 14 pages of this Advisory carefully. By signing below, Buyer and Seller acknowledge that each has read, understands and received a copy of all 14 pages of this Advisory.

DocuSigned by:
 BUYER By: Carmel J. Angelo, CEO / County Purchasing Agent County of Mendocino Date 7/15/2019
 BUYER By: Carmel J. Angelo, CEO / County Purchasing Agent Date 7/15/2019
 (Address) A82A04A4F0C8400...

DocuSigned by:
 SELLER Rodney Hobbs Redwood Valley, CA, Congregation of Jehovah's Date 7/16/2019 | 9:42 A
 SELLER D68FE4BC253C42F... Date 7/16/2019
 (Address) _____

Real Estate Broker (Selling Firm) RE/MAX, Full Spectrum DRE Lic. # 01522223
 By Lynn McNamara DRE Lic.# 00575586 Date 7/11/2019
 Address 601 South State Street City Ukiah State CA Zip 95482
 Telephone (707)621-4265 Fax (707)313-0373 Email lynn@pacific.net

DocuSigned by:
 Real Estate Broker (Listing Firm) RE/MAX, Full Spectrum DRE Lic. # 01522223
 By Lynn McNamara DRE Lic.# 00575586 Date 7/11/2019
 Address 601 South State Street City Ukiah State CA Zip 95482
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SBSA REVISED 6/18 (PAGE 14 OF 14)

STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 14 OF 14)

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Redwood Valley





CALIFORNIA
ASSOCIATION
OF REALTORS®

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

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

_____, dated July 10, 2019, on property known as:

8207 East Road, Redwood Valley, CA 95470

("Property") in

which County of Mendocino, By: Carmel J. Angelo, CEO / County Purchasing Agent is referred to as Buyer or
Tenant and Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc. is referred to as Seller or
Landlord.

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

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

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

1. SELLER'S OR LANDLORD'S DISCLOSURE

I (we) have no knowledge of lead-based paint and/or lead-based paint hazards in the housing other than the following:
there may be lead-based paint layers under newer layers of paint.

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

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

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

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

Rodney Hobbs

7/16/2019 | 9:42 AM PDT

Seller or Landlord Redwood Valley, CA, Congregation of Jehovah's Witnesses, Inc.

Date

Seller or Landlord

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Buyer's Initials

Date
BCW/CPA



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

RE/MAX Full Spectrum, Commercial Division, Post Office Box 873 Ukiah, CA 95482
Lynn Mc Namara

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Phone: 707.621.4265

Fax: 707.3130373

Redwood Valley

Property Address: 8207 East Road, Redwood Valley, CA 95470Date 7/16/2019**2. LISTING AGENT'S ACKNOWLEDGMENT**

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

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

RE/MAX, Full Spectrum

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

DocuSigned by:
 By: Lynn McNamara 7/16/2019
 Associate Licensee or Broker Signature Date
Lynn McNamara

3. BUYER'S OR TENANT'S ACKNOWLEDGMENT

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

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

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

Buyer or Tenant Date
County of Mendocino

DocuSigned by:
 By: Carmel J. Angelo, CEO / County Purchasing Agent
 Buyer or Tenant Date
By: Carmel J. Angelo, CEO / County Purchasing Agent

4. COOPERATING AGENT'S ACKNOWLEDGMENT

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

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

RE/MAX, Full Spectrum

Agent (Broker obtaining the Offer)

DocuSigned by:
 By: Lynn McNamara 7/16/2019
 Associate Licensee or Broker Signature Date
Lynn McNamara

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Redwood Valley



North Bay Association of REALTORS® MENDOCINO COUNTY REAL ESTATE DISCLOSURE ADVISORY

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(This form is intended only for use with the most current California Association of REALTORS® form SBSA, "Statewide Buyer and Seller Advisory")

8207 East Road

Address of property: **Redwood Valley, CA 95470**

This advisory consists of disclosures and disclaimers. It is not intended to alarm you or to limit our legitimate duty as agents to you, but it does point out some limitations on our liability and is intended to educate both buyers and sellers to inform you that in buying or selling something as valuable and personal as real estate, you have a responsibility to yourself to take special precautions to understand the nature of the transaction and the property both before and after you enter into a purchase agreement, to investigate and to rely only on experts, not on Brokers ("Broker" means brokers or agents) or on the other party to the transaction, when you have questions, doubts or concerns.

1. **BUYER ACKNOWLEDGES RECEIPT OF:**

- Buyer (B)(S) **Combined Hazards Book (preprinted paper version):** ("Residential Environmental Hazards [Includes Toxic Mold Update]"; "Protect Your Family From Lead" Booklet; Homeowners Guide To Earthquake Safety [Includes Gas Shutoff Valve Update]"); and **"What Is Your Home Energy Rating?"** (published by the California Association of REALTORS®)

OR

- Buyer () () **zipForm® versions:**
- Buyer () () "Residential Environmental Hazards";
- Buyer () () "Protect Your Family From Lead in Your Home" Booklet;
- Buyer () () "What is Your Home Energy Rating?" Pamphlet
- Buyer () () "Homeowners Guide To Earthquake Safety"

INITIAL BELOW FOR BUYER'S RECEIPT OF THESE OPTIONAL FORMS, WHERE APPLICABLE:

- Buyer () () **Property Transaction Booklet** (published by the California Association of REALTORS®)
- Buyer () () **A Homeowner's Guide to Septic Systems** (published by the US Environmental Protection Agency, and available at:
http://www.epa.gov/owm/septic/pubs/homeowner_guide_long.pdf)

2. **"AGRICULTURAL LAND" ZONING:** If the property is zoned "Agricultural Land", or is located within 300 feet of land zoned "Agricultural Land" the prospective buyer is hereby advised as follows:

"The property described herein is zoned as "Agricultural Land", or is located within 300 feet of such land and residents of the property may be subject to inconvenience or discomfort arising from use of agricultural chemicals, and from the pursuit of agricultural operations including, but not limited to, cultivation, plowing, spraying, pruning, harvesting, crop protection, which occasionally generate dust, smoke, noise and odor, and protecting animal husbandry from depredation. Mendocino County has established zoning for agricultural land which sets as a priority the agricultural use of the lands included therein, and residents of such property, or within zoned areas, should be prepared to accept such inconvenience or discomfort as normal and necessary to farm operation." (Section 10A.13.040(A), Mendocino County Code; Ord. No. 3414, adopted 1983, as amended by Ord. No. 3463, adopted 1983.)

The parties are further advised that under the above-referenced ordinances, the disclosure statement set forth in the preceding paragraph must also be included in a document that any buyer, lessee or transferee signs evidencing the sale, purchase, transfer, or lease of real property zoned "Agricultural Land", or that is located within 300 feet of such land.

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

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

B. REO properties may also be “distressed” as a result of neglect and/or vandalism. But, the lender/seller may have little or no knowledge of the property. While lender/sellers who have acquired property by foreclosure do not have to complete a TDS, they are still required to disclose any conditions or defects affecting the value or desirability of the property (just not on a TDS), including repairs completed by the lender/sellers or their agents, and make other required disclosures. However, those disclosures may be of little value in light of a lender/seller's limited knowledge of the property.

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

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

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

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

4. BROOKTRAILS (WILLITS) DISCLOSURES:

A. Water Supply Moratorium and Related Issues. In 2003, the California Department of Health Services determined that the Brooktrails Township Community Service District (BTCSD) had insufficient source capacity to adequately, dependably and safely serve its then-existing 1,451 customers. The State required the BTCSD to develop and implement a water conservation and leak reduction program to reduce overall system demands, and severely restricted the BTCSD's ability to add any new water service connections. Related Brooktrails water supply information, including information on the moratorium, waiting list for connections, rates and fees, is available here:

- Brooktrails Township General Manager at (707) 459-2494
- http://www.btcscd.org/php_myfaq/
- http://www.btcscd.org/brd_info/compliance_03/comp_order.php
- http://www.btcscd.org/brd_info/compliance_03/m.php

B. Point of Sale Sewer Lateral Testing. The BTCSD has enacted an ordinance requiring inspection and certification of private sewer laterals on all properties within the Brooktrails Township at the time of sale or transfer of the property. Under the ordinance, Brook trails must be notified of pending sales so the sewer laterals may be inspected for leaks, the presence of mandatory cleanouts, and backflow devices. Inspection fees must be paid to the BTCSD. Any required repairs must be completed

prior to close of escrow or other transfer of the property. Upon completion of repairs, the property must be reinspected and a Certificate of Compliance must be issued before the property is eligible to receive water and sewer service. Buyer and seller are advised to carefully review the language of the ordinance and address any concerns relating to the ordinance **prior to and during their negotiations for the purchase agreement** for the sale of the property. Brokers and agents do not have expertise in this area and are unable to advise Buyers and Sellers regarding the ordinance, sewer lateral testing, repair or replacement, related issues, or the associated costs, which may be significant. For copies of the ordinance and for further information regarding the ordinance, sewer connections, sewer lateral cleaning, testing, and related permits and fees, the parties are advised to contact the Brooktrails Township General Manager at (707) 459-2494.

C. Development Review and Related Standards. Prior to any grading, tree cutting or construction within the Brooktrails Township Special Review District, a proposed development plan must be submitted and approved by the District and Mendocino County Planning & Building Services. For additional information, the parties are advised to contact the Brooktrails Township General Manager at (707) 459-2494 and to see: http://www.btcscd.org/brd_info/design_standards/index.php.

5. **COASTAL CONDITIONS:** If the property is in a coastal or coastal influenced area, Buyer is advised that these areas are subject to frequent strong winds, wind-driven rain, fog, salty sea air and mist, and direct sunlight, any of which, alone or in combination, can prematurely age the interior and exterior of structures. Warping and cracking of surfaces, failed seals on dual-paned windows, loss of roof shingles, and water intrusion, among other problems, are not uncommon with such properties, and such properties require regular, thorough maintenance. Buyer is advised to fully investigate these conditions and the increased maintenance and repairs that may be needed for property in coastal areas
6. **DEAD AND DISEASED TREES:** All species of trees and other vegetation are subject to disease and, like all other living things, trees and other vegetation eventually die whether or not affected by disease. Dead, diseased or dying trees (from whatever cause) can be hazardous to persons and property. Dead or diseased trees and vegetation can infect other trees and vegetation, and each can adversely affect the property in other ways. Treatment and/or removal of diseased, dying or dead trees and other vegetation can be costly. Brokers and agents do not have expertise in this area. Buyer is advised to consult with qualified professionals during the applicable inspection and/or contingency periods, including but not limited to arborists and biologists. The following organizations may be able to direct you to qualified arborists in your area: the International Society of Arboricultural (ISA), National Arborist Association (NAA), and the American Society of Consulting Arborists (ASCA).
7. **ENDANGERED SPECIES ACT:** Under the Federal Endangered Species Act (16 U.S.C. §§ 1531-1544) and the California Endangered Species Act (Fish & Game Code § 2050 et seq.), all species that have been listed as “endangered,” “threatened,” or in some cases species that are “candidates” for declaration as endangered or threatened are protected from, among other things, being killed or being harassed, harmed, pursued, hunted, wounded or trapped in any way. There are species of plants and animals in the county that are so listed. In addition to protecting the listed species themselves, these laws protect the designated “critical” or “essential” habitat of these species. The presence of a listed plant or animal on the property can have serious consequences for Buyer's plans, including but not limited to prohibition or limitations on building, remodeling, grading, landscaping, and agricultural, livestock, and equestrian activities, and costs relating to governmental requirements for environmental mitigation of the effects of buyer's plans or activities. Violating these laws can result in substantial fines, civil penalties, forfeiture of certain personal property, and prison sentences. Buyer should contact the U.S. Fish and Wildlife Service at <http://www.fws.gov/> and the California Department of Fish and Game at <http://www.dfg.ca.gov/> to determine if the property is within designated critical or essential habitat for any listed species. Buyer should also consider engaging qualified professionals, who may include biologists, botanists, ecologists and others experienced with application and enforcement of the Endangered Species Act and its requirements.
8. **FIRE HAZARDS AND FIRE SAFETY:** Please refer to the advisories regarding fire hazards contained in the current California Association of REALTORS® form SBSA, “Statewide Buyer and Seller Advisory”. In addition to that information, Buyer and Seller are advised that if the Property is located within a State Fire Responsibility Area special building codes, regulations, development restrictions, and maintenance requirements may apply to the property. To determine whether these apply to the property or to planned improvements on the property, the parties should consult with the California Department of Forestry and Fire Protection (“CalFire”) and with local planning and building departments for specific

requirements. Brokers do not have expertise in this area. Current links to the CalFire website include:

<http://www.fire.ca.gov/about/downloads/preventionlaws.pdf> and

http://www.fire.ca.gov/fire_prevention/fire_prevention_wildland_codes.php.

- 9. GROUNDWATER AVAILABILITY AND QUALITY:** Due to groundwater scarcity in some areas, (including but not limited to coastal regions) as well as limits on availability of water within the Brooktrails Development in Willits, and groundwater contamination in certain areas (including but not limited to the contamination from the former Remco plant in Willits), the County of Mendocino and certain cities or towns therein have or may develop guidelines or requirements for water systems which use groundwater as a water source. An example is the County of Mendocino's Coastal Groundwater Development Guidelines, available from the Mendocino County Environmental Health Department at (707) 463-4466. Buyer is advised to consult with the County Environmental Health Department or the city planning department where the property is located.
- 10. HAZARDOUS WASTE SITES:** Generally speaking, hazardous waste is anything left over from a manufacturing process, chemical laboratory, or a commercial product that is dangerous and could hurt people, animals, or the environment, including by contamination of ground water and soil. Many industries, including but not limited to those involving petrochemicals, oil and gas, electronics, dry cleaners, and print shops, generate hazardous waste. The Coast Wood Preserving plant, located off Taylor Drive in Ukiah, and the former Remco plant site in Willits are two such hazardous waste sites in Mendocino County. There are others. Buyer is advised to get information about hazardous waste sites near the property by consulting the "Hazardous Waste and Substances Sites List" which is maintained by the California Environmental Protection Agency (CalEPA). The list is an inventory of hazardous waste sites in California, including contaminated wells, leaking underground storage tanks, and sanitary landfills from which there is a known migration of hazardous waste. It also lists active federal and state hazardous waste sites scheduled for cleanup as well as potential hazardous waste sites. The Hazardous Waste and Substances Sites List (Cortese List) on the locations of hazardous materials release sites is at www.dtsc.ca.gov/database/Calsites/Cortese_List.cfm.

Buyer may also wish to review these other sources for information about potential hazardous waste sites that may affect the property:

- Mendocino County Environmental Health Department at (707) 463-4466
- The city or township public health (or similar) department where the property is located
- Department of Toxic Substances Control Envirostor Database can be accessed at:
<http://www.envirostor.dtsc.ca.gov/public/>
- The Federal database of potentially contaminated sites is available at:
www.epa.gov/superfund/sites/index.htm
- A list of leaking underground storage tanks is available at:
www.geotracker.waterboards.ca.gov

- 11. HILLSIDE DEVELOPMENT ORDINANCE:** The City of Ukiah has enacted a Hillside Development Ordinance containing standards for development on certain hillside parcels. These standards may affect new construction, remodeling or rebuilding of existing improvements in restricted areas. Buyer is advised to contact the City of Ukiah Planning and Community Development Department at (707) 463-6203 for more information and to investigate how this ordinance may affect the property.
- 12. HOME EQUITY SALES ACT AND NOTICE OF DEFAULT ISSUES:** California Civil Code Section 1695 et seq., known as the Home Sales Equity Contract Act ("Act") may apply to this transaction, if a Notice of Default pertaining to the Property is recorded before or during escrow. It is strongly recommended that, before entering into any transaction where the Act applies or that a Notice of Default has been recorded, Buyers and Sellers seek legal advice. The following information is provided as a convenience to aid Buyers and Sellers in making informed decisions. It is not meant to be a complete source of information on all matters which can become issues in transactions involving a Notice of Default or the Act. This information is not guaranteed to be accurate, nor does it apply to any specific transaction. For that reason, it is strongly recommended that Buyers and Sellers use the utmost care and diligence in reviewing and investigating all matters which may be relevant to their transaction. Real estate licensees are not qualified to give legal or tax advice, either in general or specifically, as to Notices of Default or the Act. If Buyers or Sellers have any legal questions or concerns, Buyers and Sellers are urged to consult with their own qualified real estate attorney. If Buyers or Sellers have any tax question or concerns, Buyers and Sellers are urged to consult with their own qualified certified public accountant or tax attorney.

A. AGREEMENT SUBJECT TO CIVIL CODE § 1695 et seq. The California Association of REALTORS® Notice of Default Purchase Agreement (form "NODPA") is to be used when an investor Buyer offers to purchase a residential dwelling containing one to four units, one of which is owner-occupied as the owner's principal residence, and a Notice of Default has been recorded against the Property as required by Civil Code Sections 1695 through 1695.17. If the Purchase Agreement has been negotiated primarily in a language other than English, it must be translated into that other language as required by Civil Code Section 1695.2.

B. VIOLATIONS OF CIVIL CODE § 1695 et seq. If certain provisions of the Act are violated, there can be the following civil and criminal penalties: (a) Buyer may be responsible for actual and exemplary (punitive) damages and attorneys' fees and costs incurred by Seller, and/or a civil penalty of up to \$25,000; (b) Buyer may be subject to imprisonment for not more than one year; and (c) the transaction may be rescinded by the Seller for a period of up to two years after escrow closes.

C. SELLER'S CANCELLATION RIGHT. Under the Act, Seller may cancel the NODPA until midnight on the fifth (5th) business day following the day on which Seller signs the NODPA form or until 8:00 a.m. on the day scheduled for the sale of the Property pursuant to a power of sale conferred in a deed of trust, whichever occurs first.

D. BUYER RESTRICTIONS PRIOR TO EXPIRATION OF SELLER'S CANCELLATION RIGHT. Until Seller's right to cancel the NODPA has lapsed, Buyer shall not: (a) accept from Seller any execution of, or induce Seller to execute, any instrument conveying any interest in the Property; (b) record any instrument signed by Seller; (c) transfer or encumber or purport to transfer or encumber any interest in the Property to any third party; or (d) pay Seller any consideration.

E. REAL ESTATE AGENT LICENSE REQUIREMENTS. The Act requires an Equity Purchaser's Representative ("Buyer's Agent") to provide written proof that she or he has a current, valid California Real Estate Sales License and provide a particular form of Statement in that regard under penalty of perjury. If the Buyer's Agent fails to comply with these requirements, the Purchase Agreement is voidable by Seller and subjects the Buyer and the Buyer's Agent to liability for all damages proximately caused to the Seller by any such failure to comply. (NOTE: Under *Schweitzer v. Westminster Investments* (2007) 157 Cal.App.4th 1195, review denied March 26, 2008, the Appellate Court stated that the bond requirement of Civil Code Section 1695.17 was unenforceable and severed that provision from the statute.)

13. LAND USE AND CONSTRUCTION-RELATED LAWS: The United States, the State of California, the County of Mendocino, certain cities and towns within Mendocino County where the property is located, and some or all of their governing bodies have enacted and/or may in the future enact laws, ordinances, regulations and amendments and revisions thereto (including voter-approved ballot measures within these jurisdictions) which affect and may restrict land uses and conduct, including restrictions on vacation rentals and other uses, development, construction (including remodeling, grading and water use), demolition activities and other permissible and prohibited activities on the property (collectively "Laws"). Such Laws may also include grading and other conservation regulations that require, among other things, setbacks along designated streams, and creeks and wetlands, environmental mitigation measures, erosion control permits, grading permits, and other permits necessary for development of any new or accessory structure, vineyard, earthmoving or land conversion in Mendocino County. New and amended Laws affecting watersheds, land uses, water use and conservation, development and construction continue to be developed, proposed, revised, debated and enacted. As part of Buyer's investigation of the property, Buyer is advised to obtain the latest information regarding all such applicable Laws, whether enacted or merely proposed, that currently affect or that might in the future affect the property or the cost to make any changes or improvements to the property. Such information may be obtained by contacting all the County and city governmental agencies that may have jurisdiction over the property and by searching in the archives of the local and statewide news media. Examples of Federal, State, County and city governmental agencies that may have information on these Laws include, but are not limited to, the U.S. Army Corps of Engineers San Francisco District at (415) 503-6795 and at <http://www.spn.usace.army.mil/regulatory/index.html>, the U.S. Fish and Wildlife Service at <http://www.fws.gov/>, the California Department of Fish and Game at <http://www.dfg.ca.gov/>, the Mendocino County Planning and Building Department at (707) 463-4281, the applicable city's chief building official, chief planning official and chief code enforcement official, and all the other governmental agencies described in this Disclosure Advisory and in the California Association of REALTORS® Statewide Buyer and Seller Advisory ("SBSA") form.

14. LOCAL CONDITIONS: Buyer and Seller are advised that local amenities, facilities and services which may benefit or add to the richness of the community may also produce noise, traffic, vibration,

dust, odors, and other effects at various times, and these effects and how they are perceived are subjective: what bothers one person may be acceptable to others. Such local amenities, facilities and services include but are not limited to public and private construction projects, horse race tracks and motor vehicle speedways, casinos, fairgrounds located in various cities and towns, cycling, running, and other athletic events, farmers' markets, concert halls and performing arts centers, and other venues for public and private events, music and performances throughout the County, which venues include but are not limited to wineries, public and private parks, fields, schools, and other public and private properties. Some of these activities and events are seasonal or irregular. Buyer is advised to conduct research into the occurrence and effect of all such events including seasonal and intermittent events, and to personally visit the Property at various times of day and night and to investigate the local conditions, including any sources of and amounts of noise, traffic, vibration, dust, odors, or other effects of local amenities, facilities, and services to determine whether their potential effects are acceptable to Buyer and/or will impact the value, desirability, development, use and enjoyment of the Property.

15. LOCKS, GARAGE/GATE OPENERS, AND ALARMS: Seller may have given keys, garage/gate openers, combinations and/or access codes to doors, gates, alarms and other security devices on the property to third parties unknown to Buyer. In addition, Seller or Seller's Broker may have made the property available for open houses and other inspections by the general public which may compromise the security and safety of Buyers and their property. Accordingly, Buyer is advised to change or re-key all locks and re-code any and all alarms and other security devices, after close of escrow and upon Buyer taking possession of the property.

16. MENDOCINO COUNTY GENERAL PLAN / UKIAH VALLEY AREA PLAN / UKIAH

GENERAL PLAN: The Mendocino County General Plan defines how the County will develop over the period defined in the General Plan. Among other things, the General Plan affects land use planning and zoning requirements in the area of the property. Within the General Plan are "area plans," including the Ukiah Valley Area Plan which covers land in the unincorporated parts of the Ukiah Valley that are not located within the City of Ukiah boundaries. The City of Ukiah also has its own General Plan, and it has adopted the Ukiah Valley Area Plan regarding portions of the Ukiah Valley that are within the City's "sphere of influence" although not within the City's boundaries. Buyer is advised to consult the Mendocino County Planning and Building Department at (707) 463-4281 for information if the property is not located within the boundaries of the City of Ukiah, and to consult with the City of Ukiah Planning and Community Development Department at (707) 463-6203.

17. NATURALLY OCCURRING ASBESTOS/SERPENTINE ROCK: Naturally-Occurring Asbestos ("NOA") and Serpentine Rock are present in the soils of Northern California. These may exist at the above property, in its vicinity, and/or at other locations within the county. NOA and Serpentine Rock, which can contain naturally-occurring asbestos, may pose a health hazard to those exposed to ambient asbestos fibers in dust caused by surface mining, grading and the use of Serpentine Rock as a surface material for unpaved roads. Some counties have adopted ordinances to reduce the risk of exposure to harmful forms of NOA fibers and the county may be a source of information concerning such hazards. Buyer acknowledges that real estate brokers and agents do not have the background, skill and expertise necessary to evaluate the existence of or the potential risk presented by the existence of NOA and Serpentine Rock on or within the vicinity of the property. As with any other potential environmental hazard, Buyer is advised to fully investigate and satisfy themselves as to the existence of exposed NOA and/or Serpentine Rock on the property or within its vicinity or any Serpentine-surfaced roads within the vicinity of the property and the hazards, if any, posed thereby. That investigation should include consulting with appropriate expert(s) who can identify and test any exposed rock on the property or within its vicinity to determine whether it may present a health risk to Buyer. Such experts may include a geologist, environmental engineer, and/or a state certified asbestos inspector. Third party companies that review state and local maps and prepare disclosure reports are not an appropriate source for making these site-specific determinations.

Buyers are encouraged to review all relevant information resulting from governmental studies and other information pertaining to the risk of exposure to harmful forms of NOA fibers prior to removing their inspection contingency. The following governmental agencies have information and/or websites that Buyers can check:

- County of Mendocino: Air Quality Management District: (707) 463-4354 and at <http://www.co.mendocino.ca.us/aqmd/pages/NOA.htm>
- US Environmental Protection Agency: U.S. EPA Region 9, 75 Hawthorne Street, San Francisco, CA 94105, Attn: Jere Johnson, Site Assessment Manager, (415) 972-3094 <http://www.epa.gov/region09/toxic/noa>
- Agency for Toxic Substances and Disease Registry: <http://www.atsdr.cdc.gov>

- Department of Toxic Substances Control: <http://dtsc.ca.gov/index.html>

18. POTENTIAL INCREASE IN OWNERSHIP COSTS AND/OR REDUCTION IN SERVICES:

Due to extraordinary economic conditions in recent years, governmental and quasi-governmental entities that may provide services directly to the Property or to the community in which the Property is located (including but not limited to cities, counties, water, sewer, and other types of utility and/or assessment districts), have lost or may in the future lose revenue from what were previously thought to have been relatively stable funding sources, such as sales tax, property transfer tax, and other revenue sources.

One of the possible results of these actual or potential revenue losses is that the cost of ownership of the Property, including such costs as utility rates, fees, and taxes, can increase substantially to cover budget shortfalls. Also, services provided by governmental and quasi-governmental entities may be reduced due to budget shortfalls. Buyer is advised to investigate the financial stability of governmental and quasi-governmental entities, including water, sewer, and other types of utility and assessment districts that provide service to the Property and/or to the community in which the Property is located. Such information may be obtained by contacting federal, state, county and city governmental agencies and quasi-governmental agencies such as utility districts that may have jurisdiction over the Property, and by searching in the archives of the local and statewide news media.

- 19. PROPERTY TAX REASSESSMENT:** California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. When the County Assessor revalues the property, it does so at its market value on the date of a change in ownership (or when new construction is completed). In many cases, the sales price will be accepted by the Assessor as the market value, but not always. If Buyer disagrees with the Assessor's revaluation, Buyer should contact the local Assessor or Tax Collector's office to get information about appealing or applying for a reduced assessment.

- 20. RIGHT TO INDUSTRY ORDINANCE AND DISCLOSURE:** Pursuant to Section 6.35.060 of the Mendocino County Code:

The property described herein may be zoned as "Industrial Land", or may be located within 300 feet of such land, and residents of the property may be subject to inconvenience or discomfort arising from use of machinery, and from the pursuit of industrial operations including, but not limited to, assembly, manufacturing, cutting, drilling, machining, metalworking, milling, punching, "tapping", soldering, transportation of materials and goods, and welding. All of these activities, and others not mentioned in the non-exclusive preceding list, may generate light, glare, dust, smoke, noise and odor, all of which may occur 24 hours a day, 7 days a week. Mendocino County has established zoning for industrial land which sets as a priority the industrial use of the lands included therein, and residents of such property, or within 300-feet of the border of zoned areas, should be prepared to accept such inconvenience or discomfort as normal and necessary to industrial operation.

The disclosure statement set forth above must, under this Ordinance, be included in a document that a purchaser, lessee or transferee signs evidencing the sale, purchase, transfer, or lease of real property zoned "Industrial Land" or may be located within 300 feet of such land.

- 21. ROAD, HIGHWAY AND FLOOD CONTROL WORK:** State and local public road and highway improvements and flood control projects are regularly being planned or are taking place in Mendocino County. One example of such a project is the proposed Willits Bypass. Buyer is hereby advised that these projects may cause inconvenience to people living, working, and visiting Mendocino County, and that these inconveniences will include, but are not limited to, traffic congestion and delays, noise, odors, dust, and vibration from construction activities, including pile driving. The after-effects of such projects may include, but are not limited to, reductions or increases in traffic at any particular location, congestion and delays, noise, odors, dust, and vibration from redirected traffic flows, and related effects on property values. Buyer is advised to consult the Mendocino County Transportation Department at (707) 463-4363 and the State of California Department of Transportation for information on current and planned road and highway work.

- 22. SECOND UNITS:** The construction and use or modification of second residential dwelling units on the property, including "in law," "Granny" or "Guest" units, may be unlawful or restricted based on parcel size, sewage disposal and water availability requirements. Buyer should verify the legality of any existing or planned second units with the appropriate city building and/or planning department, or with the Mendocino County Planning and Building Department, and with all other appropriate city and county public agencies. Some jurisdictions within Mendocino County may have zoning restrictions that prohibit building second units, and some jurisdictions may require that the property owner personally live in either the main unit or the second dwelling unit.

23. SEPTIC SYSTEM/WASTEWATER TREATMENT SYSTEM REGULATIONS: The State of California has proposed and is in the process of refining and enacting new regulations for onsite wastewater treatment systems (OWTS) (sometimes also referred to as "septic systems"). These new regulations, once enacted, will affect many different types of OWTS, including possibly the type of system (if any) presently on the property. The final regulations may include, but are not limited to, some or all of the following: point-of-sale inspection and repair requirements; ongoing monitoring requirements and professional monitoring contracts; investigations and studies; specific percolation rates; and/or supplemental treatment and disinfection prior to disposal. Accordingly, these regulations may also affect an OWTS that Buyer or future owners intend to develop on the property. These OWTS regulations, and other governmental regulations that affect or that might affect the property, continue to be developed, revised and debated. As part of Buyer's investigation of the property, Buyer is advised to obtain the latest information regarding all applicable OWTS regulations and any other regulations and ordinances, proposed ordinances, and ballot measures affecting or that might affect the property, by contacting the appropriate governmental agencies. Buyer can get more information about OWTS/Septic System regulations by contacting the State Water Resources Control Board, 1001 I Street, Sacramento, CA 95814 or at P.O. Box 100, Sacramento, CA 95812; (916) 341-5250 and by reviewing the SWRCB's website: <http://www.swrcb.ca.gov/ab885/index.html> and by contacting the Mendocino County Environmental Health Department at (707) 463-4466.

24. SERVICE ANIMALS AND COMPANION ANIMALS: When showing homes for sale (including but not limited to open houses and private showings) or when rental properties are offered to the public, the Seller/owner, Brokers and real estate agents must act in compliance with all state and federal fair housing laws and regulations, including but not limited to providing unrestricted access to potential buyers and potential tenants who are accompanied by service/companion animals.

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

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

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

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

Seller and Buyer acknowledge and agree that the Seller's lender(s) are not obligated to approve the short sale and they are not obligated to provide any type of response regarding the short sale during any set period of time.

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

Seller and Buyer acknowledge and agree that they have been advised that the sale may not close unless all of the lien holders agree to take the amount that is offered to them (as specified by the Term Sheet) which may be considerably less than the amount that is owed to them. Seller and Buyer further understand that escrow could be delayed for a substantial period of time as a result of resolving the various issues involved in a short sale. Therefore, Seller and Buyer acknowledge and agree that Broker and agent cannot and do not guarantee that escrow will actually close or when it will close.

Seller and Buyer acknowledge and agree that they have a duty to exercise reasonable care to protect their own interests by conducting their own investigation and verification of all information that has been or will be provided to them regarding the short sale process and/or the Property. Seller and Buyer further acknowledge and agree that Broker and agent cannot and will not provide any tax or legal advice regarding the legal or practical effect of a short sale transaction or a possible foreclosure. Seller and Buyer further acknowledge and agree that it is their responsibility to consult with their own legal and tax professionals regarding the effects of the short sale. If you cannot afford to consult an attorney and accountant, consult with a HUD-Certified housing counselor (800) 569-4287, <http://www.hud.gov/offices/hsg/sfh/hcc/fc/> and/or legal aid provider in your community: Mendocino and Lake Counties: (916) 551-2150 or www.lsn.net ; Napa County: (510) 663-4744 or www.baylegal.org; Sonoma County: (707) 542-1290 or <http://legallaidsc.org/>.

- 26. STORAGE TANKS:** Permits are required for certain tanks that are or were used for storing flammable or combustible liquids, whether or not they are in use. Buyer is advised to consult with appropriate experts to determine whether there such storage tanks are located on the surface or underground on the property, and to consult with such experts and all city, county and state agencies with authority when storage tanks are present on the property, to determine applicable requirements.
- 27. TITLE INSURANCE AND PRELIMINARY REPORTS:** There are various types of title insurance policies available to Buyer, each with different costs and coverages, such as an ALTA Owners or Residential Policy or CLTA Policy with or without endorsement(s). There are also title insurance policies that protect the interests of a Seller who finances all or part of the purchase price. Buyer and Seller should discuss the choice of title insurance policies with a title insurance company. Buyer (and Seller where appropriate or as described above) are advised to obtain title insurance, in addition to the parties' obtaining a preliminary report from the title insurance company, to carefully review the report, obtain and review copies of all exceptions described in the report, and review all other matters which may affect title to the property, including but not limited to easements, covenants, conditions, restrictions, encumbrances and other matters, whether or not in the public record. If Buyer or Seller has any questions regarding the state of title, whether arising from the preliminary report, the exceptions shown in the preliminary report, or other matters affecting title, the parties should consult with qualified professionals, including but not limited to title insurance companies' title officers, licensed surveyors and attorneys.
- 28. TRANSFER DISCLOSURE STATEMENT/BUYER'S RESCISSION RIGHTS:** Unless exempt, sellers of residential property of 1 to 4 units must complete the Real Estate Transfer Disclosure Statement ("TDS"), even if the property is being sold "AS IS". California law gives buyers the right to rescind the transaction within three (3) days of personal delivery and five (5) days of mailing of the TDS if the buyer is dissatisfied with the information supplied by the sellers. The parties cannot waive this statutory right. If the seller becomes aware of new information that could affect the value or desirability of the property that was not already disclosed in the TDS, California law provides that the seller "may" (not "must") amend the TDS; however some contract forms require the seller to amend the TDS under certain circumstances. Only if the TDS is amended, in writing, by the seller or the Listing Agent (but not by the Selling Agent) does the buyer have the right to terminate the purchase contract within three (3) days of personal delivery and five (5) days of mailing of the amended TDS.

- 29. UKIAH AREA SEWER LATERAL ORDINANCES:** The City of Ukiah ("City") and the Ukiah Valley Sanitation District ("District") have each enacted ordinances requiring the cleaning, testing and/or repair (pursuant to a mandatory permit) of all sewer laterals connected to a public sewer main utilized by the property upon the occurrence of certain events, including but not limited to sewer overflows, discovery of illegal sewer connections or discharges, where more than a specified amount of money is being spent on construction on the property, the addition of certain plumbing fixtures, certain changes in use, where the public sewer main is being worked on, and where owner hires a contractor to perform certain types of sewer lateral work. PLEASE NOTE THE FOLLOWING: The City's ordinance applies not only to parcels within the City of Ukiah, but also to property located outside the City which is served by the City's Sewage Treatment Plant of the City's sewer mains. The Ukiah Valley Sanitation District's ordinance applies to the jurisdiction of the Ukiah Valley Sanitation District and to persons outside the District who, by agreement with the District are users of the City of Ukiah Sewage Treatment Plant. **Both ordinances are subject to amendment at any time, and Buyer and Seller should obtain the most current version of the applicable ordinance, and should read it carefully.** Buyer and Seller are advised to review the language of the ordinance that applies to the property, and address any concerns relating to the ordinance **during their negotiations of the purchase agreement** for the sale of the Property. Brokers and agents do not have expertise in this area and are unable to advise Buyers and Sellers regarding the ordinances, sewer lateral testing, repair or replacement, related issues, or the associated costs, which may be significant. For copies of the ordinances and for further information regarding the ordinances, and regarding sewer connections, sewer lateral cleaning, testing, and related permits and fees, the parties are advised to contact Rick Sands at the City of Ukiah Public Utilities Department at (707) 467-5712, or the Director of the City of Ukiah Public Utilities Department at (707) 463-6200.
- 30. UKIAH MOBILEHOME RENT STABILIZATION ORDINANCE:** The City of Ukiah ("City") has enacted an ordinance establishing a base rent for spaces in all mobilehome parks in the City, allowing rent increases based on the Consumer Price Index ("CPI"), and allowing mobilehome park owners to increase rent by more than the CPI under limited circumstances for certain expenses and if the owner proves the rent allowed under the ordinance denies the owner a "fair return". The park owner may also raise the rent for any space by 10% if a mobilehome in that space is sold in place. For copies of the ordinance and for further information regarding the ordinance the parties are advised to contact the City of Ukiah Administration and Planning Departments at (707) 463-6200.
- 31. UNDERGROUND UTILITIES AND PIPELINES:** Some communities have elected to move utility lines underground. These projects may result in new or additional tax assessments, increased costs for property owners and disruptions due to construction. Natural gas, water and other fuels are delivered to communities and residential and commercial end-users through networks of underground pipelines. Some areas served by such pipelines have suffered serious adverse impacts resulting from their presence, including deaths and personal injuries, destruction and damage to homes, other buildings, and roadways, as well as service disruptions. Buyer is advised to investigate these issues with the appropriate governmental agencies and/or service providers such as Pacific Gas and Electric Company ("PG&E") to determine if the Property has been, is being, or will be impacted by underground utilities and/or pipelines.

THE PARTIES ACKNOWLEDGE THE FOLLOWING REGARDING BROKER:

(i) Broker does not warrant or guarantee the condition of the Property; (ii) Broker shall not be responsible for failure to disclose to Buyer facts regarding the condition of the property where the condition (a) is unknown to Broker or (b) is not capable of being seen by Broker because it is in an area of the property that is reasonably and normally inaccessible to a Broker; (iii) Broker has no duty to inspect and does not inspect (a) any areas that are located outside of the property; (b) common areas, (c) public records or permits of any kind regarding the state of title or the use of the property, or (d) any other matter affecting or relating to the property that are described in this Disclosure Advisory and in the SBSA form described above; (iv) Broker has not verified square footage or size of structures or land, boundary lines of the property, representations made by others (including but not limited to the Seller), information contained in inspection reports or in the Multiple Listing Service or that has been copied therefrom, or in advertisements, flyers or other promotional material, or any other matters described in this Disclosure Advisory, unless otherwise agreed in writing; (v) Broker does not guarantee and shall not be responsible for the labor or services or products provided by others to or on behalf of Buyer or Seller and does not guarantee and shall not be responsible for the quality, adequacy, completeness or code compliance of repairs made by Seller or by

others; (vi) Broker does not decide what price Buyer should pay or Seller should accept; and (vii) Broker is not qualified to give legal, tax, insurance or title advice.

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

This document may be signed in counterparts.

BY SIGNING BELOW, BUYER AND SELLER EACH ACKNOWLEDGE THAT THEY HAVE READ, UNDERSTAND, AND RECEIVED A COPY OF THIS ELEVEN (11) PAGE DOCUMENT. BUYER AND SELLER ARE ENCOURAGED TO READ IT CAREFULLY.

BUYER
Date: 7/16/2019 County of Mendocino

Print Name: _____

BUYER

DocuSigned by:

By: Carmel J. Angelo, CEO / County Purchasing Agent

A82A04A4F0C8400...

Print Name: By: Carmel J. Angelo, CEO / County Purchasing Agent

SELLER
Date: 7/16/2019 | 9:42 AM PDT
 DocuSigned by:
 Rodney Hobbs
 D68FE4BC253C42F
Print Name: Rodney Hobbs

SELLER

Print Name: _____

Address of Property: 8207 East Road
Redwood Valley, CA 95470

North Bay Association of REALTORS®
MENDOCINO COUNTY DISCLOSURES AND DISCLAIMERS ADVISORY

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USE OF FORM: This form is intended for use only in Mendocino County, and only with the current California Association of REALTORS® form “Statewide Buyer and Seller Advisory” (SBSA). Please read it carefully, whether in electronic or hard copy form, along with all other local advisories and local disclosures, agent and broker disclosures, and all Seller disclosures relating to the Property.

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1. INTRODUCTION

This Advisory provides general information about selling and buying real property in Mendocino County and is effective as of December, 2018. It is not intended to be a comprehensive guide to buying real estate nor is it designed to alarm Buyers and Sellers. It does not limit any legal duty of real estate brokers; however it does point out some limitations on real estate brokers' duties. This Advisory points out that when purchasing something as important and valuable as real estate, Buyers have a legal responsibility to protect themselves by taking special precautions to investigate the issues detailed in this Advisory and any other issues which impact the use, value or desirability of the Property. Consult with the appropriate experts and/or governmental agencies. Do not just rely on real estate brokers or Sellers as sources for all information. When Buyers have questions, doubts or concerns, they should conduct their own Investigation with their own chosen professionals. For more information about Mendocino County, Buyers can go online at: <http://www.mendocinocounty.org/>

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

- Sellers must understand the importance and significance of their disclosure obligations. Sellers need to take the time to carefully and fully complete all aspects of the disclosure documents. Sellers must disclose anything that is known to the Sellers that materially affects the value or desirability of the Property. Sellers who need help in completing their disclosure obligations should consult with their own attorney; Brokers cannot determine the legal sufficiency of any disclosure.
- Whether documents are signed electronically or in hard copy, Sellers and Buyers should read this Advisory in conjunction with a careful review of all disclosures required by Sellers and by the real estate Brokers involved in the transaction including, without limitation, the Transfer Disclosure Statement and the Supplemental Property Questionnaire, if provided by Seller.
- Buyers are responsible for conducting their own investigations into the issues discussed in this Advisory as well as those issues that are not referenced below to the extent that those additional issues may affect the Buyers' determination of the use, value, desirability or development of the Property. That investigation should take place prior to the Buyer's removal or waiver of any inspection contingency. Buyers are urged to:
 - Carefully read the information contained in any advisories, disclosures, inspections, and/or reports that Buyers receive from any source.
 - Conduct additional/further investigations and inspections regarding any issues that concern Buyers which are raised in those advisories, disclosures, inspections, and/or reports received by Buyers from any source.
 - Thoroughly and thoughtfully inspect and evaluate the Property and, in so doing, meet Buyers' obligation to protect themselves, including those facts which are known to or within the diligent attention and observation of the Buyers.
- Buyers need to inquire into other or additional matters (beyond those contained in this Advisory) to the extent that those additional issues affect the Buyers' determination of the use, value, desirability or development of the Property.
- Buyers must bear in mind that a Property may suffer defects and deficiencies of which neither Sellers nor Brokers are aware. Buyers should also recognize that not all issues can be objectively determined and some issues can have varying impacts on different people since some people may be more sensitive than others.
- Buyers are urged to engage licensed professionals to evaluate all aspects of the Property and to consult all appropriate governmental agencies. Buyers' right to conduct certain types of investigations may be limited by the Purchase Agreement.
- Any representations about the issues in this Advisory made by third parties have not been verified by Brokers and need to be independently confirmed by Buyers.

- Although licensed to list, sell and lease real estate, Brokers may not have expertise on the issues in this Advisory.

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

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

2. MARKET CONDITIONS ADVISORY

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

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

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

The lender's approval of financing includes the lender's determination that (1) Buyers are creditworthy and can afford to make the mortgage payments and (2) that the Property appraises for at least the principal amount of the loan. Even if Buyers have obtained a pre-qualification or pre-approval letter from a lender, the lender may not ultimately approve the loan if the lender's appraiser determines that the Property's fair market value is less than the amount of the purchase price or if the Buyers' financial/employment situation has changed. If there is no financing contingency and the Property does not "appraise", Buyers may not be able to afford to make up the difference between the loan amount applied for and the loan amount actually offered by the lender. Under those circumstances, Buyers may not be able to perform on Buyers' contractual obligations. This could then result in the Buyers paying damages to the Seller. It is a serious risk for Buyers to eliminate from the Purchase Agreement their right to have a financing and/or contingency if they intend to secure a loan.

3. GENERAL PROPERTY ADVISORIES

- 3.1. **EXISTING HOUSING STOCK:** Many properties have been built under different building codes and may not accommodate current or future personal property items such as electric cars. Regardless of its age, Buyers should have the Property inspected by a competent property inspector and obtain additional inspections recommended in any inspection report, or as may be necessary for Buyers to determine the actual condition of the Property. The Property's components, appliances, fixtures, systems and materials may have varying degrees of remaining useful life and may be subject to failure without notice. In addition, not all components, improvements or fixtures of the Property may comply with current code, zoning, health and safety, setback requirements, religious or cultural preferences. Some homes contain appliances, products or manufactured materials, such as Chinese dry wall, which may be defective, create problems with the use or value of other aspects of the home and/or may be subject to manufacturer or governmental recall and/or a class action lawsuit. All homes include many components which require ongoing maintenance. Deferred maintenance will decrease the life span and/or functionality of many of these components. Buyers should seek reliable advice from appropriate professionals and to plan/budget for maintenance and future repairs.
- 3.2. **FLOORS AND WALLS:** The personal property of the Seller may make a visual inspection of floors and walls difficult. The existence of certain types of floor coverings, such as carpeting and rugs, as well as certain types of wall coverings, such as wallpaper and paneling, and furniture prevent inspectors and brokers from inspecting the condition of the floors and walls beneath those materials. When exposed, these areas may have a different pattern of wear or shade of color. If Buyers wish to determine the condition of the floors and walls beneath such coverings, Buyers will need to secure the written authorization of Seller to conduct investigations with appropriate professionals since removal of floor coverings may be required.
- 3.3. **TEMPERED GLASS:** Many homes contain glass that IS NOT tempered in locations where tempered glass IS required by building regulations. Buyers are advised to have a contractor's inspection to identify the presence of any glass that is not properly tempered before removing a physical inspection contingency on a prospective purchase of real property. Buyers should consider replacing any non-tempered glass with tempered glass to reduce the risk of injury.
- 3.4. **FIREPLACES; WOOD-BURNING APPLIANCES:** Residential wood burning is the leading source of wintertime air pollution in the Bay Area and studies have confirmed there are significant health impacts from exposure to fine particulate matter found in wood smoke. The Bay Area Air Quality Management District ("BAAQMD") established the Wood Smoke Rule, Regulation 6, Rule 3 to reduce wintertime smoke pollution and protect public health. The Wood Smoke Rule requires anyone selling, renting or leasing a property in the Bay Area to disclose the potential health impacts from air pollution caused from burning wood. Fine particulate matter, also known as PM2.5, can travel deep into the respiratory system, bypass the lungs and enter the blood stream. Exposure may cause short-term and long-term health effects, including eye, nose and throat irritation, reduced lung function, asthma, chronic bronchitis, cancer and premature deaths. Exposure to fine particulates can worsen existing respiratory conditions. High PM2.5 levels are associated with increased respiratory and cardiovascular hospital admissions, emergency department visits, and even deaths. Children, the elderly and those with pre-existing respiratory or heart conditions are most at risk from negative health effects of PM2.5 exposure. Buyers should consult with a licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace insert according to manufacturer's specifications to help reduce wood smoke pollution. The Air District encourages the use of cleaner and more efficient, non-wood burning heating options such as gas-fueled or electric fireplace inserts to help reduce emissions and exposure

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

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

NOTE: Many cities now prohibit residents from operating any wood-burning appliance that is not certified by the EPA or Air Pollution Control Districts. Some city ordinances actually may prohibit the Property from being sold or transferred unless any non-compliant "wood heater" is first removed from the Property, or rendered permanently inoperable, or replaced by a certified wood heater under a building permit. The parties must contact the jurisdiction in which the Property is located to determine whether any of these ordinances apply, and where required, to schedule an inspection of the wood heater to determine whether it is certified.

- 3.5. **LAND USE AND CONSTRUCTION-RELATED LAWS:** Federal, State, and City and County governments have enacted and/or may in the future enact laws, ordinances, regulations and amendments and revisions thereto (including voter-approved ballot measures within these jurisdictions) which affect and may restrict land uses, development, and other conduct on the Property, including without limitation restrictions on vacation rentals, certain other uses, development, construction (including remodeling, grading and water use), demolition activities and other permissible and prohibited activities on the property (collectively "Laws"). Such Laws may also include regulations that require, among other things, setbacks between development and designated streams, creeks and wetlands, environmental mitigation measures, erosion control permits, grading permits, and other permits necessary for new development or remodeling of any structure, vineyard, earthmoving or land conversion. New and amended Laws affecting watersheds, land uses, water use and conservation, development and construction continue to be developed, proposed, revised, debated and enacted. As part of Buyer's investigation of the property, Buyer is advised to obtain the latest information regarding all such applicable Laws, whether enacted or merely proposed, that currently affect or that might in the future affect the property or the cost to make any changes or improvements to the property. Such information may be obtained by contacting all the County and city governmental agencies that may have jurisdiction over the Property and by searching in the archives of the local and statewide news media. Examples of Federal, State, County and city governmental agencies that may have information on these Laws include, but are not limited to, the U.S. Army Corps of Engineers San Francisco District at (415) 503-6795 and at <http://www.spn.usace.army.mil/regulatory/index.html>, the U.S. Fish and Wildlife Service at <http://www.fws.gov/>, the California Department of Fish and Wildlife at <https://www.wildlife.ca.gov/>, the County's or City's building and planning departments and code enforcement officials, and all the other governmental agencies described in this Disclosures and Disclaimers Advisory and in the California Association of REALTORS® Statewide Buyer and Seller Advisory ("SBSA") form.

- 3.6. **LOCAL CONDITIONS: FACILITIES AND EVENTS:** Buyer and Seller are advised that many properties that were not directly impacted by the October 2017 fires that destroyed thousands of homes in Mendocino, Napa, and Mendocino Counties are and will continue to be impacted by those fires. The Property may also be directly or indirectly impacted by other disasters and naturally occurring events such as earthquakes and weather events. Such impacts may include but are not limited to visual impacts on the Property and/or neighborhood, and noise, traffic, vibrations, dust, odors, and other effects of rebuilding or

repair efforts. Buyer and Seller are further advised that local amenities, facilities and services which may benefit or add to the richness of the community may also produce noise, vibration, dust, odors, traffic delays and detours, and other effects and inconveniences at various times. Such local amenities, facilities and services include but are not limited to public and private construction projects, horse race tracks and motor vehicle speedways, casinos, airports, fairgrounds located in various cities and towns, cycling, running, and other athletic events, parades, farmers' markets, concert halls and performing arts centers, and other venues for public and private events, music and performances throughout the County, which venues include but are not limited to wineries, public and private parks, fields, schools, and other public and private properties. The perception of how these events and conditions may affect the parties or the Property and use thereof are subjective: what bothers one person may not be noticed by or may be acceptable to others. Buyer is advised to personally visit the Property at various times of day and night and to investigate the local conditions, including without limitation: the effects of fires, other disasters and naturally occurring events, and any sources of and amounts of noise, traffic, vibration, dust, odors, or other effects of local conditions, amenities, facilities, and services to determine whether their potential effects are acceptable to Buyer and/or will impact the value, desirability, development, use and enjoyment of the Property.

- 3.7. **SQUARE FOOTAGE AND LOT SIZE:** Different sources of size information including but not limited to Sellers and Appraisers often provide different square footage or lot size numbers for a property; public records may be, and often are, inaccurate and thus there are frequently discrepancies in the advertised sizes. Buyers are advised that square footage and/or lot size numbers, which may be obtained from various sources such as public records, Multiple Listing Service, and others and are provided to Buyers regarding the Property are not, and will not be, verified by Sellers or the real estate agents. If the square footage or lot size of the property is an important consideration in Buyers' decision to purchase the Property, then Buyers must independently conduct Buyers' own investigation through appropriate professionals and rely solely on that data.
- 3.8. **TREES AND VEGETATION:** ***Protected Trees.*** Most cities and counties have an ordinance that requires property owners to obtain a permit prior to removing Protected Trees from their property. Protected Trees are defined within the code of each city. Removing or damaging any Protected Tree without the proper permit constitutes an infraction. In addition to the cost of the infraction, violators may be liable for damages. A City may place a lien on the Property if imposed fees are not paid on a timely basis. That lien may subsequently be added to the county property tax bill. ***Hazardous Trees:*** Some cities and counties define hazardous tree conditions within their Building Codes and address ways of mitigating those conditions on both private and public property. There are often stringent time frames for responding to hazardous tree claims. If hazardous tree claims are not resolved privately, a claimant may, as a last resort, pursue the claim through the court system. ***View Ordinances:*** Some cities and counties have view ordinances that restrict the height of trees so that trees do not unreasonably obstruct the view that existed at the time of purchase of the property. Certain trees that are part of the natural habitat can be exempt from this law. Often a view property will have recently trimmed trees and shrubs revealing the view. Buyers should take note that maintaining that view could entail not only trimming foliage on their own property, but also enlisting the cooperation of their neighbor to keep their foliage trimmed, usually at the Buyers' expense. Cities do not take an active role in these issues; rather they encourage the private resolution of such disputes. Each jurisdiction may have a different mechanism for handling these situations, and Buyer is encouraged to review the city or county codes during their inspection period. ***Diseased Trees/Vegetation:*** Trees and other vegetations on the Property are susceptible to diseases, including without limitation Sudden Oak Death Syndrome, and other problems that cannot be detected by Brokers. ***Arborist Consultation***

Recommended: Buyers are encouraged to seek the advice of a qualified, licensed and/or certified arborist for any questions regarding trees or other vegetation that are on the Property or on neighboring properties.

3.9. **RIVER, CREEK, WETLAND, AND LEVEE PROTECTION:** Many properties are impacted by creeks, channels, streams, wetlands, levees, and/or culverts (a man-made structure used to enclose a flowing body of water which is usually designed to allow water to pass underneath a road or other structures). If the Property includes, abuts or is located near a such features, Buyer should investigate the possibility of flooding and/or water intrusion or other nuisances that may result from proximity to those water sources by contacting appropriate experts. Brokers cannot determine these issues. In addition, some counties and cities have enacted regulations regarding creeks and culverts making maintenance of these creeks and culverts the responsibility of adjacent property owners. Such expenses can be considerable. Buyer should review local ordinances and maps with government agencies and Buyer's own experts regarding these issues and before commencing any work in, over or near any river, creek, channel, stream, wetland, culvert, or levee.

3.10. **FLOOD ADVISORY:** Flood insurance rates are increasing due to many factors. The 2012 federal Biggert-Waters Flood Insurance Reform Act eliminated many subsidies for properties in flood zones as determined by the Federal Emergency Management Administration ("FEMA") which financially supports flood insurance. FEMA has experienced extraordinary expenses dealing with multiple natural disasters. Under the "Homeowner Flood Insurance Affordability Act of 2014," properties in flood zones, designated in a NHD report, will experience annual premium increases which could be as much as 18% to 25% per year. For details of how these issues will affect a property, go to:

<http://www.realtor.org/articles/senate-passes-flood-insurance-with-house-amendments> or
<https://www.floodsmart.gov/floodsmart/>

3.11. **SEPTIC SYSTEM/WASTEWATER TREATMENT SYSTEM REGULATIONS:** If the Property has a septic system, it is essential that Buyer secured a current, written report detailing the inspection of the tank and the leach field lines by a licensed, competent professional to determine the condition of the system as well as the adequacy of the system for Buyers' specific needs. Visual inspection of the tank alone is insufficient. Brokers do not have the necessary expertise to make those determinations. Expansion or remodeling of the dwelling may be restricted due to the condition of the septic system. Securing approval for changes in the dwelling may be conditioned upon testing, removal, repair, or other changes to the system which may be expensive. The septic system may not be in compliance with current or future code requirements and code compliance may be required for any future work done on the Property. Buyer should investigate these issues with appropriate experts. Brokers cannot determine these issues. Buyers can get more information about OWTS/Septic System regulations by contacting the County Building, Planning, and Health Departments, and the State Water Resources Control Board, 1001 I Street, Sacramento, California 95814 or at Post Office Box 100, Sacramento, California 95812; (916) 341-5455 and by reviewing the SWRCB's website:

http://www.waterboards.ca.gov/water_issues/programs/owts/index.shtml

3.12. **STORAGE TANKS:** Many ranches, farms, and some older homes in this area may have or have had an above-ground or underground storage tank ("UST") for the fuel for farm vehicles, machinery, for home heating oil, or other purposes. The California State Water Resources Control Board and its regional offices (the "Water Board"), in conjunction with city and/or county fire officials, regulate tanks used for storing flammable or combustible liquids,

whether or not such tanks are currently in use. Buyer is advised to consult with appropriate experts to determine whether there such storage tanks are located on the surface or underground on the Property, and to consult with such experts and all city, county and state agencies with authority when storage tanks are present on the property, to determine applicable requirements. Regulations may require inspection, testing, removal, and soil and/or groundwater clean-up of any toxic material that may have leaked from the tank. Buyer and Seller are advised to speak directly to the Water Board, City or County Fire Department, and Building Department concerning specific regulations affecting above-ground tanks or USTs.

- 3.13. **ENVIRONMENTAL HAZARDS:** The presence of certain environmental hazards, such as lead-based paint and other lead contaminants, asbestos, formaldehyde, radon, methane, or other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, urea formaldehyde, tri-chloro-ethane (a.k.a."TCE"), and/or other conditions and materials may adversely affect the Property and may cause health problems to people and animals. Buyers should have qualified experts inspect the Property for existing and potential hazards during Buyers' inspection contingency period. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Buyers and Sellers should also read the pamphlets entitled, "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants" and "Protect Your Family from Lead in Your Home." Some of the third-party Natural Hazards Disclosure ("NHD") companies may provide information regarding environmental hazards that are mapped by the federal government, state or local entities such as Super Fund Clean-Up sites. Buyers should consider discussing with the NHDS provider what environmental disclosures and maps may be available.
- 3.14. **CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS & HOMEOWNERS' ASSOCIATIONS:** If the Property is located in a Common Interest Development, the Seller should request that the Homeowners' Association (HOA) provide all required documents regarding the HOA operation and expenses to meet the Seller's disclosure obligations under Civil Code Section 4525. Some neighborhoods have established HOAs that may charge dues and enforce their own restrictions. It is strongly recommended that Buyers receive the current HOA documents directly from the HOA rather than from any online service or from an earlier transaction. Buyers need to carefully examine all of the documents that are provided regarding the HOA and compare the documents with the list of required disclosures specified in the HOA form from the California Association of REALTORS®. If any document(s) are missing, Buyers should send a written request to the Seller that the Seller provide the missing documents and/or provide a written explanation for why the document(s) were not included with the other HOA documents. Buyers should retain the services of experts, such as attorneys, accountants or others who specialize in reviewing HOA documents to determine the adequacy of the reserves and whether or not the Property is suitable for the Buyers' intended uses.

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

Many Condominiums and other Common Interest Developments have been involved in or are presently involved in litigation regarding the design, construction, maintenance and/or condition of all or a part of the Development. Whether or not these lawsuits are successful, litigation is expensive and the cost of such legal actions may impact not only the adequacy of the HOA reserves but also the amount of current or future assessments. The existence of

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

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

- 3.15. **PLASTIC PIPE:** Builders in the area may have used PEX water pipes in constructing homes. This type of pipe, manufactured under the name of KITEC®, has been alleged in a class action lawsuit to be faulty and a settlement of that suit has been reached. Buyers should investigate the presence of such pipes prior to removing their inspection contingency. For additional information about this product and any litigation, go to:
<http://www.kitecsettlement.com/faq.cfm>
- 3.16. **INSURANCE:** During the inspection contingency, Buyers should consult with an insurance broker to determine the cost of homeowners' insurance as well as the types of coverage that may be available and any conditions that the insurance company intends to impose. For example, many insurance companies are refusing to provide homeowners' insurance coverage unless certain retrofit requirements are met, such as installation of safety glass and/or fireplace spark arresters and a gas shut-off valve. The fact that an insurance company may require these repairs does not necessarily mean that the Seller is obligated to pay for and/or make the repairs requested by the insurer. In addition, prior claims submitted by Buyers on other properties may affect the final cost of the homeowners' insurance on the property being purchased by Buyers. Buyers should investigate these matters thoroughly prior to removing their inspection contingency.
- 3.17. **C.L.U.E. REPORTS OF INSURANCE CLAIMS:** Standard real estate disclosure forms specify that Sellers must provide Buyers with insurance claims history for the property for a period of five years preceding the sale. Sellers do not always know (or remember) the insurance claims history. Thus, for many years the Natural Hazards Disclosure Statement ("NHDS") Reports included a report used by insurance companies called C.L.U.E. The NHDS Reports no longer include the C.L.U.E. report. Because a C.L.U.E. report itself is not required, Sellers may disclose the insurance information themselves as part of the disclosure process. If Sellers want to rely on C.L.U.E. for the most accurate information regarding past insurance claims, Sellers may be able to either: (a) go online to:
https://personalreports.lexisnexis.com/homesellers_disclosure_report/agent.jsp and create an account that will enable the Sellers to order a C.L.U.E. report; or (b) contact their homeowner insurance policy broker who may be able to provide a copy. Buyers can also add to their contract offer the obligation for Sellers to provide them a C.L.U.E. report.
- 3.18. **TITLE INSURANCE AND PRELIMINARY REPORTS:** There are various types of title insurance policies with different costs and coverages, such as an ALTA Owners or Residential Policy or CLTA Policy with or without endorsement(s). There are also title

insurance policies that protect the interests of a Seller who finances all or part of the purchase price. Buyer and Seller should discuss the choice of title insurance policies with a title insurance company. Buyer (and Seller where appropriate or as described above) are advised to obtain title insurance, in addition to the parties' obtaining a preliminary report from the title insurance company, to carefully review the report, obtain and review copies of all exceptions described in the report, and review all other matters which may affect title to the property, including but not limited to easements, covenants, conditions, restrictions, encumbrances and other matters, whether or not in the public record. If Buyer or Seller has any questions regarding the state of title, whether arising from the preliminary report, the exceptions shown in the preliminary report, or other matters affecting title, the parties should consult with qualified professionals, including but not limited to title insurance companies' title officers, licensed surveyors and attorneys.

- 3.19. **CHANGING LOCKS, GARAGE/GATE OPENERS, AND ALARMS:** Seller may have given keys, garage/gate openers, combinations and/or access codes to doors, gates, alarms and other security devices on the property to third parties unknown to Buyer. In addition, Seller or Seller's Broker may have made the property available for open houses and other inspections by the general public which may compromise the security and safety of Buyers and their property. Accordingly, Buyer is advised to change or re-key all locks and re-code any and all alarms and other security devices, after close of escrow and upon Buyer taking possession of the property.
- 3.20. **ONLINE INFORMATION:** Online information regarding the Property, or the neighborhood, may exist online in various blogs, discussion boards, Facebook, Instagram, and other social media sites, etc. For example, some neighborhood associations and homeowner associations (HOA's) have official sites; whereas other unofficial sites written by third parties may exist with postings about the community. Some of the online sites offer viewers the opportunity to express opinions and air complaints. The information contained on those sites may consist of opinion, speculation, unfounded assertions or rumor, making it difficult to determine what is factual and what is not. Neither Seller nor any of the real estate licensees may be aware of, nor will they conduct a search of, such online information and they are not obligated to verify or explain the posted issues and/or commentary of third parties.
- 3.21. **ONLINE PHOTOS:** Sellers and Buyers are advised that photos of their property will be included in the MLS listings and, perhaps, on the listing broker's website. It is now common that such photos will subsequently be added to other brokers' websites, and various national listing aggregation sites such as Realtor.com, Trulia, Zillow, and others. From there, photos may be copied on to other websites as well, with or without the permission of the host site. After the close of escrow, or a termination of a listing, Sellers and Buyers are advised it is not possible for the listing or selling broker to remove these photos from websites over which they have no control.
- 3.22. **PROBATE SALES AND COURT CONFIRMATION:** An executor or administrator (the "Representative") of a probate estate may sell estate property if it is in the best interests of the estate to do so. The sale of estate real property is typically subject to Probate Court Confirmation. The Independent Administration of Estates Act ("IAEA") provides a simplified method of probating estates with limited court supervision. Under the IAEA, the Representative may list real property with a broker for a period not to exceed 90 days without prior court approval and to sell the Property without court confirmation, unless a person named in the will or other person who is entitled to receive a Notice of Proposed Action objects; in which case court confirmation will be required. The Representative's ability to sell

without court supervision or approval under IAEA is not absolute and is conditioned upon there being no objections by interested persons (generally, the heirs). If there is any objection, Court Confirmation may be necessary.

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

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

- 3.23. **PERSONAL PROPERTY AND STAGING ITEMS:** Sellers and Listing Brokers/Agents often engage the services of "Staging" companies to assist in presenting the Property in its best light. The furniture, furnishings and accessories provided by the staging company is removed prior to close of escrow and do not transfer to the Buyer. Standard Purchase Agreement forms specify that NO personal property is included in the sale unless specifically designated in the Agreement or an Addendum. The MLS entry, flyers and other marketing materials are NOT part of the Purchase Agreement. NONE of the staged furniture or other items (e.g. window treatments, mirrors, rugs, lamps, plants, etc.) is included in the sale. Buyers who wish to purchase any staged items should enter into a separate written agreement with the staging company.
- 3.24. **WATER HEATERS:** Under State law, all water heaters must be braced, anchored or strapped to resist falling or horizontal displacement due to earthquake motion and Sellers of Property must certify to Buyers that the bracing requirement has been satisfied. In addition, water heaters which are newly installed or moved must be raised so their ignition point is 18 inches off the ground. Many other plumbing code requirements may also apply, e.g. gas venting, pipe wrapping, temperature and pressure relief valves, drain valves, bollard protection in garages.
- 3.25. **SMOKE ALARMS AND CARBON MONOXIDE DETECTORS:** California Health and Safety Code §13113.8 requires installation of smoke alarms in residential property. If a TDS is required, the Sellers certify that the Property has (or will have prior to Close of Escrow) operable smoke alarms which are approved and installed in compliance with the State Fire Marshal's regulations and applicable local standards including installation of alarms with 10-year batteries in all bedrooms before finalizing any permitted contracting work costing \$1,000 or more. State law requires carbon monoxide detectors in living areas of residential properties that have fossil fuel burning appliances, even if those appliances are several floors below, for example, furnaces in the basement of a condominium building.

- 3.26. **ANIMALS:** Current or previous owner(s) may have had domestic and/or other indoor or outdoor animals on the Property; animals can cause damage to various aspects of the Property. Odors from animal urine or waste may be dormant for long periods and then become active because of heat, humidity or other factors such as some cleaning techniques, or be temporarily masked by other odors such as fresh paint or new carpet. Animal urine and feces can also damage floors, floor coverings, walls, baseboards, or other components. Additionally, animals can attract fleas, ticks and other pests that can remain on the Property after the animal has been removed. Complete elimination of odors and other problems created by animals may not be possible even by professional cleaning efforts or replacing carpets, pads and other affected components. Property may be subject to local ordinances regulating the maintenance, breeding, number or type of animals permitted, or other requirements such as spaying or neutering. Buyers should investigate whether Homeowner and Common Interest Associations have imposed restrictions on animals. Neighbors may have animals that can cause problems including but not limited to noise or odors. Common pets such as dogs can bark, cats are not easily contained, and in some cases more unusual animals (e.g. poultry, exotic birds, and reptiles) may create issues that impact the value, use and enjoyment of the Property. California is home to a wide variety of animals, birds, reptiles and insect life, including but not limited to ants, bedbugs, bats, rodents, snakes and larger wild animals such as mountain lions and deer, some or all of which may enter or inhabit the Property and may be difficult to eliminate or control. These creatures can damage landscaping, might be a hazard to people, pets or other animals and may cause issues that impact the Buyers' use and enjoyment of the Property. Proximity to rural or open space areas increases the likelihood of this problem. Buyers should investigate these issues with licensed professionals, including local animal/pest control companies, and/or other qualified agencies or organizations during Buyers' inspection period.

4. **FEDERAL, STATE AND REGIONAL CONDITIONS ADVISORIES**

4.1. **GEOLOGIC CONDITONS:**

- **UNSTABLE HILLSIDES:** Many hillside properties are active and potentially active landslide areas. Many of the geologic forces which have shaped California over the eons are still active today. The only way to determine the nature of the soil and bedrock under a structure, and how these forces may affect those structures, is with a geologic or geotechnical inspection and report.
- **EXPANSIVE SOILS:** Some parts of the area have expansive, or adobe, soil which will expand and contract with the wet and dry seasons. This expansion and contraction can cause movement or shifting of structures and their foundations.
- **HIGH WATER TABLES:** Some parts of the County have high water tables that can intensify mold growth and compromise the stability of soil and/or foundation. In addition, high water tables may affect the use and enjoyment of the surrounding land, particularly during months of heavy rain. Buyers should consult the appropriate experts to help evaluate the effect of high water tables on the subject property and, when necessary, consider drainage modifications to protect the structure and improve the use and enjoyment of the surrounding landscape.

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

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

improvements by personally contacting the local building inspection and code enforcement agencies as well as obtaining the advice of contractors, architects, engineers or other professionals regarding the status and condition of the Property prior to removing inspection contingencies.

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

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

- **SINGLE-FAMILY RESIDENCES:** Under this law, a condo, even a single condo occupied by only one family, is not a single-family residential property. Until December 31, 2016, if a single-family residence is altered or improved, the installation of such fixtures must be a condition of final permit approval. However, after January 1, 2017, ALL single-family residences must comply with this law by replacing all noncompliant plumbing fixtures whether or not the property is being remodeled or sold. Starting on that date, Sellers will need to disclose to prospective buyers if the property has any noncompliant plumbing fixtures.
- **MULTI-FAMILY AND COMMERCIAL PROPERTIES:** Until December 31, 2018: As a condition of final permit approval, owners must replace all plumbing fixtures with water-conserving fixtures if (1) permits are obtained to increase the floor area by more than 10%; (2) building alterations or improvements exceed \$150,000 in costs; or (3) permits are obtained for a room with plumbing fixtures. After January 1, 2019: All multi-family and commercial properties must comply with this law by replacing all noncompliant plumbing fixtures. Also, starting on that date, Sellers will need to disclose to the prospective buyer if the property has any noncompliant plumbing fixtures.

4.11. **REAL PROPERTY TAXES AND ASSESSMENT DISTRICTS:** The Purchase Agreement addresses payment of real property taxes and assessments relating to the Property. As part of their negotiations for the Purchase Agreement, the parties may decide how to prorate such taxes and assessments; payments on bonds and assessments and their assumption by Buyers; and payment on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien on the Property. The existence of Mello-Roos and 1915 Bond districts will be outlined in a report by a Natural Hazard Disclosure (NHD) company. Most other assessment districts will be reported in the Preliminary Report from the title company. Still others may be disclosed by Seller or local disclosure. The Seller's tax bill alone does not necessarily reflect all of the costs related to taxes and assessments on real property. If there is a question as to whether an existing bond or assessment will be prorated as of the close of escrow, or whether Seller will pay off the bond or assessment at close of escrow, Buyers are advised to discuss the matter with the appropriate District prior to removal of the appropriate inspection or title contingency, and to address responsibility for payment of taxes and assessments in the negotiations for the Purchase Agreement. **Reassessment:** California property tax law requires the County Assessor to revalue real property at the time the ownership of the property changes. When the Assessor revalues the property, it does so at its market value on the date of a change in ownership (or when new construction is completed). In many cases, the sales price will be accepted by the Assessor as the market value, but not always. If Buyer disagrees with the Assessor's revaluation, Buyer should contact the local Assessor or Tax Collector's office to get information about appealing or applying for a reduced assessment.

4.12. **FIRPTA:** Federal law requires Buyers to withhold and remit to the Internal Revenue Service fifteen percent (15%) of the sales price (or 10% if the property is to be used as the Buyer's residence and the sales price is \$1,000,000 or less) if a Seller is a non-resident alien ("Foreign Investor"), unless a federal exemption applies to the Seller and/or the transaction. Sellers who are relying on the exemption that they are not classified as a Foreign Investor may avoid this federal withholding requirement one of two ways: (a) by providing Buyers with Seller's Affidavit of Nonforeign Status ("Affidavit") which is signed by each Seller under

penalty of perjury and includes each Seller's Social Security Number ("SSN") or Taxpayer Identification Number ("TIN"); or (b) if the Escrow holder provides the Buyers with a Qualified Substitute Statement ("QSS") in which the Escrow holder, as the Qualified Substitute, states under penalty of perjury that the Substitute has verified the required taxpayer information.

NOTE TO BUYERS: Unless an exemption applies, if a Buyer does not obtain either the Seller's Affidavit or the Escrow holder's QSS, and a Foreign Investor Seller fails to pay taxes due on the sale, the IRS can assess against the Buyer the full 10 or 15 percent of the sales price that should have been withheld, or the Seller's actual tax liability in the sale, whichever is less, plus interest and penalties.

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

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

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

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

https://portal.hud.gov/hudportal/documents/huddoc?id=HUD_OGCGuidAppFHASandCR.pdf

- 4.14. **SCHOOLS:** Some school districts have experienced financial and academic achievement difficulties and, as a result, may face bankruptcy, reorganization or takeover by a state administrator. Each school district has its own rules regarding school assignments, and these rules may change at any time with little notice. For these reasons, brokers cannot represent or guarantee that anyone who resides in any particular property will be able to attend any particular school or school district. These and any other factors or concerns of

Buyers should be investigated by Buyers prior to removing inspection contingencies in a purchase agreement.

- 4.15. **NEW CONSTRUCTION WARRANTIES, DEFECTS AND LAWSUITS:** The Real Estate Transfer Disclosure Statement ("TDS") requires Sellers to disclose if there are any lawsuits by or against the Sellers threatening or affecting the real property along with questions related to construction defects, citing Civil Code Sections 900, 903, 910 and 914. These codes are part of a law that is often referred to as SB800 or Title 7, which generally applies to residential real property built by a "Builder" (as defined in Section 911) and sold for the first time after January 1, 2003. Section 900 provides for a limited one-year warranty from the Builder and Builders may provide "enhanced protection agreements" which may extend the warranty period. Homeowners are required to follow all reasonable maintenance obligations and schedules communicated in writing by the Builder and product manufacturers, as well as commonly accepted maintenance practices. Failure to do so may provide a defense against a homeowner claim and Builders often require specific pre-litigation procedures and remedies in the event of a claim against the Builder. Sellers who have questions about how to answer this TDS question should consult with a California real estate attorney for advice. If the Sellers disclose any lawsuits or claims, Buyers should investigate such disclosures with a California real estate attorney. Brokers are not qualified to provide advice on these matters.
- 4.16. **PRIVATE ROADS; EASEMENTS AND MAINTENANCE:** If the property is assessed or affected by a private road that is shared with one or more other properties, Buyers need to determine the existence of a recorded private road maintenance agreement and compliance with that document. If no such agreement exists, Civil Code Section 845(s) provides that "the cost shall be shared proportionately to the use made of the easement by each owner." Buyers should contact city/county officials and/or their attorney to evaluate their potential responsibilities.
- 4.17. **POTENTIAL INCREASE IN OWNERSHIP COSTS AND/OR REDUCTION IN SERVICES:** Due to extraordinary economic conditions in recent years, governmental and quasi-governmental entities that may provide services directly to the Property or to the community in which the Property is located (including but not limited to cities, counties, water, sewer, and other types of utility and/or assessment districts), have lost or may in the future lose revenue from what were previously thought to have been relatively stable funding sources, such as sales tax, property transfer tax, and other revenue sources. One of the possible results of these actual or potential revenue losses is that the cost of ownership of the Property, including such costs as utility rates, fees, and taxes, can increase substantially to cover budget shortfalls. Also, services provided by governmental and quasi-governmental entities may be reduced due to budget shortfalls. Buyer is advised to investigate the financial stability of governmental and quasi-governmental entities, including water, sewer, and other types of utility and assessment districts that provide service to the Property and/or to the community in which the Property is located. Such information may be obtained by contacting federal, state, county and city governmental agencies and quasi-governmental agencies such as utility districts that may have jurisdiction over the Property, and by searching in the archives of the local and statewide news media.
- 4.18. **COASTAL CONDITIONS:** If the property is in a coastal or coastal influenced area, Buyer is advised that these areas are subject to frequent strong winds, wind-driven rain, fog, salty sea air and mist, and direct sunlight, any of which, alone or in combination, can prematurely age the interior and exterior of structures. Warping and cracking of surfaces, failed seals on dual-paned windows, loss of roof shingles, and water intrusion, among other

problems, are not uncommon with such properties, and such properties require regular, thorough maintenance. Buyer is advised to fully investigate these conditions and the increased maintenance and repairs that may be needed for property in coastal areas.

- 4.19. **ENDANGERED SPECIES ACT:** Under the Federal Endangered Species Act (16 U.S.C. §§ 1531-1544) and the California Endangered Species Act (Fish & Game Code § 2050 et seq.), all species that have been listed as “endangered,” “threatened,” or in some cases species that are “candidates” for declaration as endangered or threatened are protected from, among other things, being killed or being harassed, harmed, pursued, hunted, wounded or trapped in any way. There are many species of plants and animals in Mendocino County that are so listed, an example being the California Tiger Salamander, which was listed as an “endangered species” in March, 2003. In addition to protecting the listed species themselves, these laws protect the designated “critical” or “essential” habitat of these species. The presence of a listed plant or animal on the property can have serious consequences for Buyer's plans, including but not limited to prohibition or limitations on building, remodeling, grading, landscaping, and agricultural, livestock, and equestrian activities, and costs relating to governmental requirements for environmental mitigation of the effects of buyer's plans or activities. Violating these laws can result in substantial fines, civil penalties, forfeiture of certain personal property, and prison sentences. Buyer should contact the U.S. Fish and Wildlife Service at <http://www.fws.gov/> and the California Department of Fish and Wildlife at <https://www.wildlife.ca.gov/> to determine if the property is within designated critical or essential habitat for any listed species. Buyer should also consider engaging qualified professionals, who may include biologists, botanists, ecologists and others experienced with application and enforcement of the Endangered Species Act and its requirements.

5. COUNTY AND CITY ADVISORIES

- 5.1. **RIGHT TO INDUSTRY ORDINANCE AND DISCLOSURE:** Pursuant to Section 6.35.060 of the Mendocino County Code:

The property described herein may be zoned as "Industrial Land", or may be located within 300 feet of such land, and residents of the property may be subject to inconvenience or discomfort arising from use of machinery, and from the pursuit of industrial operations including, but not limited to, assembly, manufacturing, cutting, drilling, machining, metalworking, milling, punching, “tapping”, soldering, transportation of materials and goods, and welding. All of these activities, and others not mentioned in the non-exclusive preceding list, may generate light, glare, dust, smoke, noise and odor, all of which may occur 24 hours a day, 7 days a week. Mendocino County has established zoning for industrial land which sets as a priority the industrial use of the lands included therein, and residents of such property, or within 300-feet of the border of zoned areas, should be prepared to accept such inconvenience or discomfort as normal and necessary to industrial operation.

The disclosure statement set forth above must, under this Ordinance, be included in a document that a purchaser, lessee or transferee signs evidencing the sale, purchase, transfer, or lease of real property zoned "Industrial Land" or may be located within 300 feet of such land.

- 5.2. **MENDOCINO COUNTY GENERAL PLAN / UKIAH VALLEY AREA PLAN / UKIAH GENERAL PLAN:** The Mendocino County General Plan defines how the County will develop over the period defined in the General Plan. Among other things, the General Plan affects land use planning and zoning requirements in the area of the property. Within the General Plan are “area plans,” including the Ukiah Valley Area Plan which covers land in the

unincorporated parts of the Ukiah Valley that are not located within the City of Ukiah boundaries. The City of Ukiah also has its own General Plan, and it has adopted the Ukiah Valley Area Plan regarding portions of the Ukiah Valley that are within the City's "sphere of influence" although not within the City's boundaries. Buyer is advised to consult the Mendocino County Planning and Building Department at (707) 463-4281 for information if the property is not located within the boundaries of the City of Ukiah, and to consult with the City of Ukiah Planning and Community Development Department at (707) 463-6203.

- 5.3. **HILLSIDE DEVELOPMENT ORDINANCE:** The City of Ukiah has enacted a Hillside Development Ordinance containing standards for development on certain hillside parcels. These standards may affect new construction, remodeling or rebuilding of existing improvements in restricted areas. Buyer is advised to contact the City of Ukiah Planning and Community Development Department at (707) 463-6203 for more information and to investigate how this ordinance may affect the property.
- 5.4. **GROUNDWATER AVAILABILITY AND QUALITY:** Due to groundwater scarcity in some areas, (including but not limited to coastal regions) as well as limits on availability of water within the Brooktrails Development in Willits, and groundwater contamination in certain areas (including but not limited to the contamination from the former Remco plant in Willits), the County of Mendocino and certain cities or towns therein have or may develop guidelines or requirements for water systems which use groundwater as a water source. An example is the County of Mendocino's Coastal Groundwater Development Guidelines, available from the Mendocino County Environmental Health Department at (707) 463-4466. Buyer is advised to consult with the County Environmental Health Department or the city planning department where the property is located.
- 5.5. **HAZARDOUS WASTE SITES:** Generally speaking, hazardous waste is anything left over from a manufacturing process, chemical laboratory, or a commercial product that is dangerous and could hurt people, animals, or the environment, including by contamination of ground water and soil. Many industries, including but not limited to those involving petrochemicals, oil and gas, electronics, dry cleaners, and print shops, generate hazardous waste. The Coast Wood Preserving plant, located off Taylor Drive in Ukiah, and the former Remco plant site in Willits are two such hazardous waste sites in Mendocino County. There are others. Buyer is advised to get information about hazardous waste sites near the property by consulting the "Hazardous Waste and Substances Sites List" which is maintained by the California Environmental Protection Agency (CalEPA). The list is an inventory of hazardous waste sites in California, including contaminated wells, leaking underground storage tanks, and sanitary landfills from which there is a known migration of hazardous waste. It also lists active federal and state hazardous waste sites scheduled for cleanup as well as potential hazardous waste sites. The Hazardous Waste and Substances Sites List (Cortese List) on the locations of hazardous materials release sites is at:
www.dtsc.ca.gov/database/Calsites/Cortese_List.cfm

Buyer may also wish to review these other sources for information about potential hazardous waste sites that may affect the property:

- Mendocino County Environmental Health Department at (707) 463-4466
- The city or township public health (or similar) department where the property is located
- Department of Toxic Substances Control Envirostor Database can be accessed at:
<http://www.envirostor.dtsc.ca.gov/public/>
- The Federal database of potentially contaminated sites is available at:
www.epa.gov/superfund/sites/index.htm

- A list of leaking underground storage tanks is available at:
www.geotracker.waterboards.ca.gov

5.6. **BROOKTRAILS (WILLITS) DISCLOSURES:**

A. Water Supply Moratorium and Related Issues. In 2003, the California Department of Health Services determined that the Brooktrails Township Community Service District (BTCSD) had insufficient source capacity to adequately, dependably and safely serve its then-existing 1,451 customers. The State required the BTCSD to develop and implement a water conservation and leak reduction program to reduce overall system demands, and severely restricted the BTCSD's ability to add any new water service connections. Related Brooktrails water supply information, including information on the moratorium, waiting list for connections, rates and fees, is available here:

- Brooktrails Township General Manager at (707) 459-2494
- http://www.btcscd.org/php_myfaq/
- http://www.btcscd.org/brd_info/compliance_03/comp_order.php
- http://www.btcscd.org/brd_info/compliance_03/m.php

B. Point of Sale Sewer Lateral Testing. The BTCSD has enacted an ordinance requiring inspection and certification of private sewer laterals on all properties within the Brooktrails Township at the time of sale or transfer of the property. Under the ordinance, Brook trails must be notified of pending sales so the sewer laterals may be inspected for leaks, the presence of mandatory cleanouts, and backflow devices. Inspection fees must be paid to the BTCSD. Any required repairs must be completed prior to close of escrow or other transfer of the property. Upon completion of repairs, the property must be reinspected and a Certificate of Compliance must be issued before the property is eligible to receive water and sewer service. Buyer and seller are advised to carefully review the language of the ordinance and address any concerns relating to the ordinance prior to and during their negotiations for the purchase agreement for the sale of the property. Brokers and agents do not have expertise in this area and are unable to advise Buyers and Sellers regarding the ordinance, sewer lateral testing, repair or replacement, related issues, or the associated costs, which may be significant. For copies of the ordinance and for further information regarding the ordinance, sewer connections, sewer lateral cleaning, testing, and related permits and fees, the parties are advised to contact the Brooktrails Township General Manager at (707) 459-2494

C. Development Review and Related Standards. Prior to any grading, tree cutting or construction within the Brooktrails Township Special Review District, a proposed development plan must be submitted and approved by the District and Mendocino County Planning & Building Services. For additional information, the parties are advised to contact the Brooktrails Township General Manager at (707) 459-2494 and to see:
http://www.btcscd.org/brd_info/design_standards/index.php

- 5.7. **ROAD, HIGHWAY AND FLOOD CONTROL WORK:** State and local public road and highway improvements and flood control projects are regularly being planned or are taking place in Mendocino County. One example of such a project is the proposed Willits Bypass. Buyer is hereby advised that these projects may cause inconvenience to people living, working, and visiting Mendocino County, and that these inconveniences will include, but are not limited to, traffic congestion and delays, noise, odors, dust, and vibration from construction activities, including pile driving. The after-effects of such projects may include, but are not limited to, reductions or increases in traffic at any particular location, congestion and delays, noise, odors, dust, and vibration from redirected traffic flows, and related effects on property values. Buyer is advised to consult the Mendocino County Transportation

Department at (707) 463-4363 and the State of California Department of Transportation for information on current and planned road and highway work.

- 5.8. **SEWER LATERAL ORDINANCES:** The Property may be served by a sewer system that is under the jurisdiction of a Sewer District, Water District, Community Services District, or other governmental agency ("District"). Seller and Buyer are advised that many such Districts have enacted ordinances requiring that inspection/testing and repair or replacement of sewer service laterals be completed prior to any sale or other transfer of ownership of the Property. Each such ordinance has different requirements. Other governmental agencies in the County may in the future enact similar ordinances. Buyer and Seller are advised to review the language of any sewer lateral ordinance that applies to the property, and address any concerns relating to the ordinance during their negotiations of the Purchase Agreement for the sale of the property. Seller is advised to engage a qualified inspector to inspect the condition of the sewer lateral, according to the terms of the applicable ordinance and related regulations/standards, prior to entering into a Purchase Agreement for the sale of the property. Brokers and agents do not have expertise in this area and are unable to advise Buyers and Sellers regarding these ordinances, sewer lateral testing, repair or replacement, related issues, or the associated costs, which may be significant. The parties are advised to obtain the latest information regarding all such applicable ordinances, whether enacted or merely proposed, that currently affect or that might in the future affect the Property or the cost to make any changes or improvements to the property.
- 5.9. **NO-SMOKING AND SECOND-HAND SMOKE ORDINANCES:** Several counties and cities have enacted ordinances that prohibit smoking of tobacco and other substances, and in some cases e-cigarettes, in multi-unit residential units, including balconies, common areas and within certain distances of all enclosed areas. These ordinances are usually designed to limit ingestion of second-hand smoke by other residents. Other cities may enact such ordinances as well. For information on such ordinances contact the city or county website where the Property is located.
- 5.10. **LOCAL RENT CONTROL AND EVICTION LAW ISSUES:** Several cities and some counties in California have enacted or are contemplating enacting ordinances that control rents and/or the grounds for eviction of tenants. Other cities may create comparable requirements and/or require the issuance of permits or mandate inspections prior to renting out any type of property. Buyer should investigate the existence of applicable ordinances and laws regulating their ability to rent property and to satisfy themselves as to whether that type of ordinance will impact their intended use of the Property. Determining the existence of and/or the applicability of any laws regulating the renting of property/the amount of rent, the eviction of tenants, and/or mandatory city rental health and safety inspections, is beyond the expertise of the real estate professionals.
6. **ATTORNEY AND ACCOUNTANT RECOMMENDATIONS:** In addition to the professional service providers Buyers will retain to inspect and analyze the property being purchased or sold, a situation may arise during the course of Buyers' purchase transaction that requires Buyers to either make an important decision, or select a plan of action that could result in significant legal consequences and substantial impact on Buyers' personal finances. The most prudent and best plan is to identify a certified public accountant and real estate attorney in advance of the sale or purchase of the property so that Buyers and Sellers can quickly contact and seek the proper financial and/or legal advice and guidance if needed during the transaction. If a 1031 exchange is contemplated, also contact an exchange accommodator to discuss the proper method and timing of the exchange.

7. ACKNOWLEDGEMENTS REGARDING BROKERS AND AGENTS:

The parties acknowledge the following regarding real estate brokers and agents ("Broker"):

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

8. ELECTRONIC SIGNATURES

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

9. WIRE FRAUD SCAM ALERT

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

THE UNDERSIGNED ACKNOWLEDGE RECEIPT OF ALL 23 PAGES OF THIS ADVISORY

Dated: _____

County of Mendocino

Buyer

Dated: 7/15/2019

DocuSigned by:
By: Carmel J. Angelo, CEO / County Purchasing Agent
Buyer

Dated: 7/16/2019 | 9:42 AM PDT

DocuSigned by:
Rodney Hobbs
Seller: Redwood Valley Congregation of Jehovah's

Dated: _____

Seller Witnesses, Inc., By: Rodney Hobbs

Commercial Property Earthquake Disclosure Report (2006 Edition)

NAME Redwood Valley CA Congregation of Jehovah's Witnesses, Inc.	ASSESSOR'S PARCEL NO. 163-140-14-00
STREET ADDRESS 8207 East Road	YEAR BUILT Unknown
CITY AND COUNTY Redwood Valley, Mendocino County	ZIP CODE 95470

Answer these questions to the best of your knowledge. If you do not have actual knowledge as to whether the weakness exists or not, answer "Don't Know." If you know that a weakness exists or has been corrected or that the building has been seismically retrofitted, explain on a separate sheet. If your property does not have the feature described in the question, answer "Doesn't Apply." The pagenumbers in the right-hand column indicate where in this guide you can find information on each of these features.

	Yes	Doesn't No	Apply	Don't Know	See Page
1. Is the water heater braced, strapped, or anchored to resist falling during an earthquake?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12
2. If the building has precast (tiltup) concrete or reinforced masonry walls with wood-frame floors or roof, are the exterior walls adequately anchored to the floors and the roof in accordance with local building codes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	14
3. If the exterior walls, or part of them, are made of unreinforced masonry, have they been strengthened in accordance with the California Building Standards Code?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	16
4. If the building is located in Seismic Zone 4 and has unreinforced masonry bearing walls that have not been retrofitted, has it been posted as potentially unsafe?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	17
5. If the building has concrete columns, were they adequately reinforced to resist earthquakes or have they been strengthened?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	18
6. If the building has a steel frame built before 1995, has it been inspected for fractures in welds in or near steel connections?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	21
7. If your building is commercial or has five or more residential units, does it have a soft or weak story or open front?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	22
8. Does the building have well-anchored exterior cladding with no unusual or irregular building features?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	25
9. Is the building outside an Alquist-Priolo Earthquake Fault Zone (an area prone to fault rupture immediately surrounding active earthquake faults)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40
10. Is the building outside a Seismic Hazard Zone (zone identified as susceptible to liquefaction or landsliding)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	41

Keep your copy of this form for future reference

If any of the questions are answered "No," the building may be likely to suffer severe damage during earthquakes. Questions answered "Don't Know" may indicate a need for further evaluations. If you corrected one or more of these weaknesses, describe the work on a separate page.

As seller of the property described herein, I have answered the questions above to the best of my knowledge in an effort to disclose fully any potential earthquake weaknesses it may have. Other earthquake concerns may be present but are not disclosed.

EXECUTED BY

DocuSigned by:

Rodney Hobbs
(Seller)
B88FE4BC253C42F...

(Seller)

7/16/2019 | 9:42 AM PDT

Date

I acknowledge receipt of this form, completed and signed by the seller. I understand that if the seller has answered "No" to one or more questions, or if seller has indicated a lack of knowledge, there may be one or more earthquake weaknesses in this property.

DocuSigned by:

County of Mendocino
(Buyer)

(Buyer)

By: Carmel J. Angelo, CEO / County Purchasing Agent
Date