JCP-LGS Residential Property Disclosure Reports

For SANTA CLARA COUNTY

Property Address: 1274 NOTTING HILL DR ,
SAN JOSE, SANTA CLARA COUNTY, CA
("Property")

APN: 241-41-098
Report Date: 04/30/2010
Report Number: 745511

AERIAL PHOTO COVER PAGE

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

NOTE TO READER: *High-resolution aerial photographs are obtained through periodic surveys by low-altitude aircraft. Surveys are repeated at intervals of several years, and their coverage is limited to populated areas. On rare occasions, the air photo on this page will display a black area, or vacant land where buildings now exist. In these cases, the photo happens to be at the edge of the survey coverage area, or it shows land that has been developed since the time of the latest aerial survey. We apologize for these rare instances, which are beyond our control.*

JCP-LGS Property Disclosure Reports | MAP COVER PAGE
Natural Hazard Disclosure Report

Property Address: 1274 NOTTING HILL DR ,
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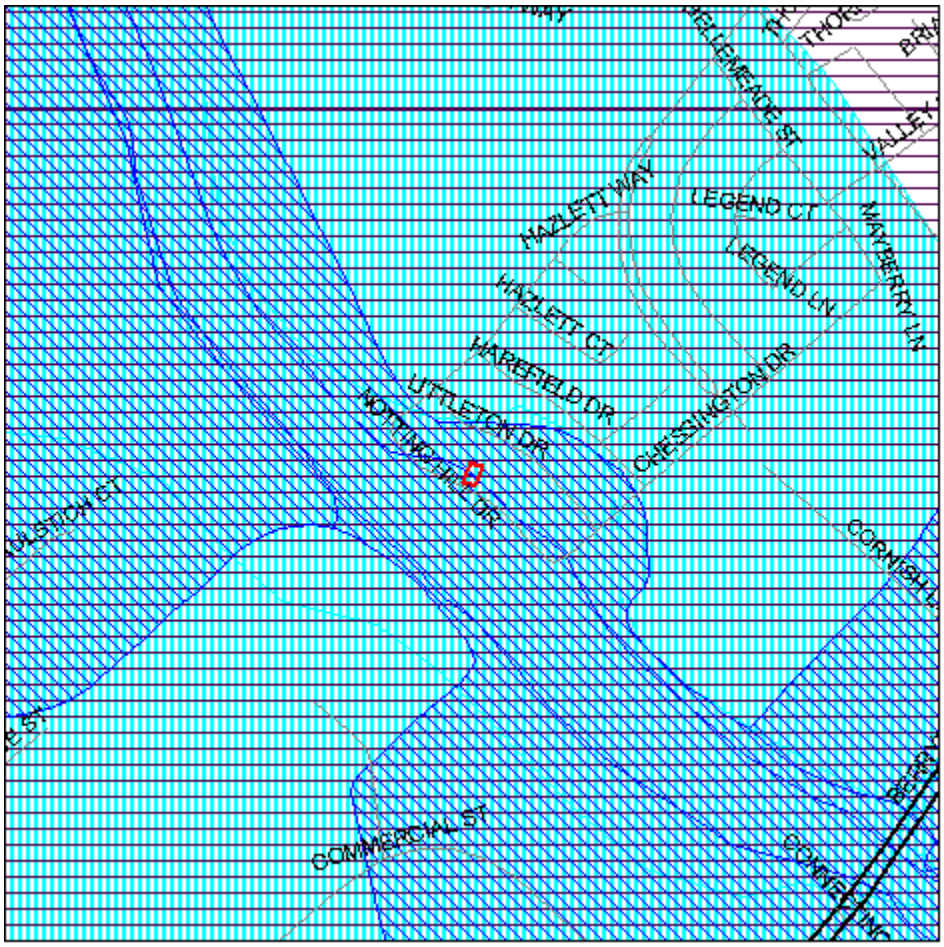

Subject Property

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

N W E S

0 0.125 0.25
miles

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

This INDUSTRY STANDARD REPORT contains the Natural Hazard Disclosure Report, the Tax Report and the Enviro Report.

THIS REPORT PROVIDES THE STATUTORY DISCLOSURES MANDATED BY CALIFORNIA CIVIL CODE SECTION 1103.2 AND DELIVERY OF THIS REPORT AND THE EXECUTED STATUTORY FORM IS SUFFICIENT TO MEET THE SAFE HARBOR FOR THE SELLER AND SELLER'S AGENT. THIS REPORT ALSO CONTAINS OTHER IMPORTANT DISCLOSURES AND INFORMATION. SELLER AND SELLER'S AGENT MAY HAVE ADDITIONAL RESPONSIBILITIES FOR CERTAIN DISCLOSURES WITHIN THEIR ACTUAL KNOWLEDGE.

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The Natural Hazard Disclosure Report For SANTA CLARA COUNTY

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Statutory Natural Hazard Disclosure Statement

The transferor and his or her agent(s) disclose the following information with the knowledge that even though this is not a warranty, prospective transferees may rely on this information in deciding whether and on what terms to purchase the Property. Transferor hereby authorizes any agent(s) representing any principal(s) in this action to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the Property.

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

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

Yes __X__ No _____ Do not know and information not available from local jurisdiction _____

AN AREA OF POTENTIAL FLOODING shown on a dam failure inundation map pursuant to Section 8589.5 of the Government Code.

Yes __X__ No _____ Do not know and information not available from local jurisdiction _____

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

Yes _____ No __X__

A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISK AND HAZARDS pursuant to Section 4125 of the Public Resources Code. The owner of this Property is subject to the maintenance requirements of Section 4291 of the Public Resources Code. Additionally, it is not the state's responsibility to provide fire protection services to any building or structure located within the wildlands unless the Department of Forestry and Fire Protection has entered into a cooperative agreement with a local agency for those purposes pursuant to Section 4142 of the Public Resources Code.

Yes _____ No __X__

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

Yes _____ No __X__

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

Yes (Landslide Zone) ___ Yes (Liquefaction Zone) __X__

No ___ Map not yet released by state ____

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

Signature of Transferor (Seller) _____ Date _____

Signature of Transferor (Seller) _____ Date _____

Signature of Agent _____ Date _____

Signature of Agent _____ Date _____

Check only one of the following:

☐ Transferor(s) and their agent(s) represent that the information herein is true and correct to the best of their knowledge as of the date signed by the transferor(s) and agent(s).

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

Third–Party Disclosure Provider(s) Date 04/30/2010 Rept. No. 745511

Greg Rufe, Chief Operating Officer
JCP-LGS Disclosure Reports

Transferee represents that he or she has read and understands this document. Pursuant to **Civil Code** Section **1103**.8, the representations made in this Natural Hazard Disclosure Statement do not constitute all of the transferor's or agent's disclosure obligations in this transaction.

Signature of Transferee(s) _____ Date _____

Signature of Transferee(s) _____ Date _____

ADDITIONAL SIGNATURE REQUIRED: SEE "*ACKNOWLEDGEMENT OF RECEIPT*"- NEXT PAGE

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ACKNOWLEDGEMENT OF RECEIPT

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I hereby acknowledge the receipt of the following Disclosures and Advisories:

Natural Hazard Report Disclosures and Advisories
(Signature Required on the Statutory Form – See preceding page)

- ✓ State Level Natural Hazard Disclosures (Statutory Form)
- ✓ Local City and County Level Natural Hazard Disclosures (where applicable)
- ✓ Commercial/Industrial Disclosure
- ✓ Military Ordnance Disclosure
- ✓ Airport Influence Area / Airport Noise Disclosure
- ✓ Database Disclosure (Megan's Law)
- ✓ San Francisco Bay Conservation and Development Commission Disclosure (where applicable)
- ✓ California Energy Efficiency Disclosure
- ✓ Methamphetamine Contaminated Property Disclosure Advisory
- ✓ Mold Advisory
- ✓ Radon Advisory
- ✓ Endangered Species Act Advisory
- ✓ Abandoned Mines Advisory
- ✓ Oil & Gas Well Advisory
- ✓ Tsunami Map Advisory
- ✓ Right to Farm Disclosure

California Property Tax Report Disclosures and Advisories

- ✓ Notice of Special Tax and Assessment (Mello-Roos and 1915 Bond Act)
- ✓ Notice of Supplemental Property Tax Bill
- ✓ Private Transfer Fee Disclosure Advisory

Environmental Report Disclosures and Advisories

- ✓ Notification of known contaminated sites in proximity to the property

Transferor (Seller)	**Date**	**Transferor (Seller)**	**Date**
Transferee (Buyer)	**Date**	**Transferee (Buyer)**	**Date**
Agent	**Date**	**Agent**	**Date**

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Summary Declaration of Liability Provisions

JCP-LGS Reports Natural Hazard Disclosures ("JCP-LGS" or "The Company"), a division of First American Natural Hazard Disclosures LLC and a member of The First American Family of Companies, hereby declares that Recipients of a natural hazard disclosure report issued by a Member Company ("Report") pursuant to California Civil Code §1103 *et seq.* for a transaction are provided the following assurances and protections.

Recipients

- Buyers, Sellers and their respective real estate agents and brokers involved in the sale of the Property for which the Report was issued.

Member Companies

- First American Natural Hazard Disclosures, LLC.
- JCP-LGS Disclosures.com

Protections

All Recipients of a Report shall enjoy the following assurances and protections if their Report contains an error which results in damages as defined in the Report ("Error") upon proper tender of the claim:

(1) JCP-LGS will resolve the claim promptly and in good faith.
(2) JCP-LGS will defend a Recipient against legal action brought against that Recipient as a result of the Error or otherwise resolve the Error without economic loss to the Recipient.
(3) Recipients will enjoy the benefits of amounts received by JCP-LGS from its errors and omissions ("E&O") insurance carrier as a result of the Error.
(4) To the extent that economic loss resulting from the Error is not paid by the E&O insurance proceeds, JCP-LGS shall be liable for any remaining loss.

Recipients are entitled to rely on the provisions of the Report as of the close of escrow for the transaction for which said Report was issued.

By: JCP-LGS Disclosure Reports Greg Rufe, Chief Operating Officer **Date:** 04/30/2010

THIS IS A PUBLIC RECORD REPORT ONLY: This Report only provides information concerning the Property derived from the Public Records identified in this Report. While JCP-LGS has made good faith efforts to report from the Public Records as accurately as possible, the quality, accuracy, and currency of the information contained in these Public Records can vary greatly. For more information regarding a specific disclosure and the related Public Record, please read Sections 1 through 3, inclusive, of this Report.

NOT AN INSPECTION REPORT: This Report is not the same thing as a physical inspection report nor a full environmental or geological assessment report. JCP-LGS has not physically inspected the Property. This Report only summarizes the information from the specified Public Records.

LIABILITY PROTECTIONS: Upon consummation of the sale of the Property to Buyer ("Sale Date"), the Parties in the sale are protected against loss caused by any error in this Report as specified in the section below entitled "Methods and Limitations."

NOT AN INSURANCE POLICY: This Report is a binding contract but is not an insurance policy. The price charged for the Report does not cover the costs that would be necessary to provide all of the protections of an insurance policy.

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NATURAL HAZARD DISCLOSURE REPORT TABLE OF CONTENTS

This Report includes the sections as identified in this Table of Contents and is not complete if any one of these components is missing. Additional information may also be included in the form of addendums which are provided as an accommodation and are not an official part of this Report.

Sections		PAGE
	SIGNATURE SECTION	
Statutory Form	The statutory disclosures applicable to the Property as required by California Civil Code 1103 (the "Law")……...**SIGNATURE REQUIRED**	1
Acknowledgement of Receipt	A document summarizing all of the disclosures and advisories contained in the report . ……...**SIGNATURE REQUIRED**	2
Summary Declaration of Liability Provisions	Explains the liability protection offered in relying on this report……	3
Table of Contents	Summary of report contents. (This page.)……	4
	SUMMARY OF DISCLOSURES SECTION	
Summary of Natural Hazard Disclosure Determinations	A summary of the Statutory (State level) natural hazard disclosures and additional "Local" natural hazard disclosures officially adopted by the County and/or City wherein the subject property is located. Not all Counties or Cities have officially adopted maps of sufficient scale to make determinations specific to the Property……	5 - 6
Summary of Additional Property Specific Disclosures & Advisories	A summary of some of the additional disclosures that could affect the value of the property that the State of California along with the California Association of REALTORS® have required…….....	7 - 8
	DISCLOSURE EXPLANATION SECTION	
Explanation of Mandatory State Level Disclosures	State Level Disclosures are defined and explained, and official Public Records used for the determinations as well as the reporting standards are identified……	9 - 11
Explanation of County and City Disclosures (if applicable)	"Local" County and City Level Disclosures are defined and explained, and official Public Records used for the determinations as well as the reporting standards are identified. Any and all disclosures made in this section are based on the local jurisdictions' ***officially adopted, publicly available hazard maps that are of useable scale in order to make parcel specific determinations……***	12 - 15
Explanation of Additional Property Specific Disclosures	The State of California along with the California Association of REALTORS® have required that various property specific disclosures be made that could affect the value of the property. Some of these disclosures are made in this section. …….....	16 - 21
Advisories	Important advisories and notices dealing with potential general concerns related to home ownership in California but not specific to the Property. These advisories are not mandated……...	22 - 27
Methods and Limitations **(IMPORTANT)**	A summary explanation of the methods used to make the disclosure determinations and limitations on liability……	28 - 30
Local Addenda	Additional local and "point of sale" disclosures may be added as appropriate and solely as an accommodation. **ADDENDA MAY REQUIRE ADDITIONAL SIGNATURES**.	31 - 32

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SUMMARY OF NATURAL HAZARD DISCLOSURES

*Map N/A: Map not available, and/or not officially adopted by the jurisdiction, and/or not of sufficient scale from which to make parcel specific determinations.

STATE LEVEL DETERMINATIONS

IN	NOT IN	MAP N/A*	Hazards	The Property is:	Refer to page:
✓			Flood	IN a Special Flood Hazard Area. The Property is IN a FEMA-designated Flood Zone AE.	9
✓			Dam	IN an area of potential dam inundation.	9
	✓		Very High Fire Hazard Severity	NOT IN a very high fire hazard severity zone.	10
	✓		Wildland Fire Area	NOT IN a state responsibility area.	10
	✓		Fault	NOT IN an earthquake fault zone designated pursuant to the Alquist-Priolo Act.	11
	✓		Landslide	NOT IN an area of earthquake-induced land sliding designated pursuant to the Seismic Hazard Mapping Act.	11
✓			Liquefaction	IN an area of potential liquefaction designated pursuant to the Seismic Hazard Mapping Act.	11

COUNTY LEVEL DETERMINATIONS

IN	NOT IN	MAP N/A*	Hazards	The Property is:	Refer to page:
	✓		Fault	NOT IN a county-designated fault rupture hazard zone	13
	✓		Landslide	NOT IN a county-designated landslide hazard zone	13
✓			Liquefaction	IN a county-designated liquefaction hazard zone	13
	✓		Compressible Soils	NOT IN a county-designated compressible soils hazard zone	13
	✓		Dike Failure	NOT IN a county-designated dike failure flooding hazard zone	13

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CITY LEVEL DETERMINATIONS

IN	NOT IN	MAP N/A*	Hazards	The Property is:	Refer to page:
	✓		Fault	NOT IN for Fault hazard area.	14
✓			Landslide	IN a mapped area of Least, Low, or Low to Moderate Landslide Susceptibility. Please see City of San Jose Regulatory Zones Discussion for more information.	14
	✓		Redevelopment Area	NOT IN for Redevelopment Area hazard area.	14
	✓		Special Geologic Hazard Study Area	NOT IN for Special Geologic Hazard Study Area hazard area.	14

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SUMMARY OF ADDITIONAL PROPERTY SPECIFIC DISCLOSURES

IN	NOT IN	MAP N/A	Hazards	The Property is:	Refer to page:
	✓		Former Military Ordnance	NOT WITHIN one mile of a formerly used ordinance site.	16
✓			Commercial or Industrial	WITHIN one mile of a property zoned to allow commercial or industrial use.	16
	✓		Airport Influence Area	NOT IN an airport influence area.	17
	✓		Airport Noise Area for 65 Decibel	NOT IN a delineated 65 dB CNEL or greater aviation noise zone.	18
	✓		Bay Conservation and Development Commission	NOT IN an area that is within the jurisdiction of the San Francisco Bay Conservation and Development Commission.	19
	✓		California Energy Commission	NOT IN a climate zone where properties are usually subject to duct sealing and testing requirements	20
	✓		Right to Farm Act	NOT IN a one mile radius of designated Important Farmland.	21

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SUMMARY OF ADVISORIES AND ADDENDA

ADVISORIES

Advisory	Advisory Notation	Refer to page:
Registered Sex Offender Data Base (Megan Law)	Provides an advisory required pursuant to Section 290.46 of the Penal Code. Information about specified registered sex offenders is made available to the public. Please refer to State required notification on page referenced herein.	22
Methamphetamine Contamination	Provides an advisory that a disclosure may be required pursuant to the "Methamphetamine Contaminated Property Cleanup Act of 2005".	23
Mold	Provides an advisory that all prospective purchasers of residential and commercial property should thoroughly inspect the subject property for mold and sources for additional information on the origins of and the damage caused by mold.	23
Radon	Provides an advisory on the risk associated with Radon gas concentrations.	24
Endangered Species	Provides an advisory on resources to educate the public on locales of endangered or threatened species.	25
Abandoned Mines	Provides an advisory on resources to educate the public on the hazards posed by, and some of the general locales of, abandoned mines.	26
Oil and Gas Wells	Provides an advisory on the potential existence of oil and gas wells and sources for additional general and/or specific information.	26
Tsunami Map Advisory	Provides an advisory about maximum tsunami inundation maps issued for jurisdictional emergency planning.	27

ADDENDA*

ADDENDUM	ADDENDUM NOTATION	Refer to page:
City of San Jose Street Tree Disclosure Form	Provides a statutory disclosure form for compliance with ordinance governing street tree maintenance and replacement. BUYER/SELLER SIGNATURES REQUIRED.	31

* Addenda are local disclosures and advisories (where applicable) that The Company provides as an accommodation at the request of the local real estate board. **SIGNATURES MAY BE REQUIRED.**

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STATUTORY NATURAL HAZARD DISCLOSURE EXPLANATIONS

The statutory Natural Hazard Disclosure Statement on page one of this report does not provide for informing purchasers if the property is only partially within any of the delineated zones or provide additional flood zone information which could be very important to the disclosure process. The following summary is meant to give buyers the additional information they may need to help them in the decision making process and to place the information in perspective.

SPECIAL FLOOD HAZARD AREA

DISCUSSION: Property in a Special Flood Hazard Area (any type of Zone "A" or "V" as designated by the Federal Emergency Management Agency ("FEMA") is subject to flooding in a "100-year rainstorm." Federally connected lenders are required to have homeowners maintain flood insurance in these zones. A 100-year flood occurs on average once every 100 years, but may not occur in 1,000 years or may occur in successive years. According to FEMA, a home located within a SFHA has a 26% chance of suffering flood damage during the term of a 30-year mortgage. Other types of flooding, such as dam failure, are not considered in developing these zones. In some cases, the insurance requirement may be waived or modified by obtaining a Letter of Map Revision ("LOMR") or Letter of Map Amendment ("LOMA") from the FEMA. This might be possible where flooding is shallow and fill was placed on the site, appropriate flood control measures were taken, or only the lot and no part of the structure is in the zone. Contact FEMA directly for more information. Flood insurance for properties in Zones B, C, D, X, X500, and X500_Levee is available but is not required.
Zones A, AO, AE, AH, AR, A1-A30: Area of "100-year" flooding - a 1% or greater chance of annual flooding.
Zones V, V1-V30: Area of "100-year" flooding in coastal (shore front) areas subject to wave action.
Zone B: Area of moderate flood risk. These are areas between the "100" and "500" year flood-risk levels.
Zones C, D: NOT IN an area of "100-year" flooding. Area of minimal (Zone C) or undetermined (Zone D) flood hazard.
Zones X: An area of minimal flood risk. These are areas outside the "500" year flood-risk level.
Zone X500: An area of moderate flood risk. These are areas between the "100" and "500" year flood-risk levels.
Zone X500_LEVEE: An area of moderate flood risk that is protected from "100-year flood" by levee and that is subject to revision to high risk (Zone A) if levee is decertified by FEMA.

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

For more information about flood zones, visit http://www.floodsmart.gov/floodsmart/pages/riskassement/floodzonesdefined.jsp

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

AREA OF POTENTIAL FLOODING (DAM FAILURE)

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

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

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VERY HIGH FIRE HAZARD SEVERITY ZONE (VHFHSZ)

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

PUBLIC RECORD: Official maps issued by the California Department of Forestry and Fire Protection ("CDF") pursuant to California Public Resources Code § 51178.

WILDLAND FIRE AREA (STATE RESPONSIBILITY AREA)

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

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

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

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

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EARTHQUAKE FAULT ZONE

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

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

SEISMIC HAZARD MAPPING ACT ZONE

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

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

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

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

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

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LOCAL COUNTY-LEVEL AND CITY-LEVEL NATURAL HAZARD DISCLOSURE EXPLANATIONS

PUBLIC RECORDS AND LOCAL REPORTING STANDARDS

HAZARD MAPS IN THE LOCAL GENERAL PLAN: In addition to those federal and state maps associated with disclosures specified under California Civil Code Section 1103, counties and cities have additional maps which depict various geologic and seismic hazards that local agencies consider when approving land use and development permit applications. These may include maps contained in the Safety Element and/or Seismic Safety Element of a General Plan that has been officially adopted by a city of county.

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

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

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

REPORTING STANDARDS

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

PUBLIC RECORDS VS. ON-SITE EVALUATIONS

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

PROPERTY USE AND PERMITTING

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

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SANTA CLARA COUNTY GEOLOGIC ZONES DISCUSSION

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

FAULT

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

LANDSLIDE

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

LIQUEFACTION

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

COMPRESSIBLE SOILS

Compressible Soils Zones include areas where there is a chance that the ground will settle locally during severe shaking due to the potential compression of peaty-type soils in these areas. Risk of injury is relatively low in these areas as a result of settlement alone.
Reporting Standards: If any portion of the Property is situated within an area of compressible soils as delineated in the Public Record, "IN" shall be reported.

DIKE FAILURE

Dike Failure Flooding Zones include areas where there is a significant chance of flooding following a large earthquake if the perimeter dike systems of the bay fail.
Reporting Standards: If any portion of the Property is situated within an area of potential dike failure as delineated in the Public Record, "IN" shall be reported.

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CITY OF SAN JOSE REGULATORY ZONES DISCUSSION

PUBLIC RECORD(S) SEARCHED: The following Public Records have been incorporated into "The San Jose 2020 General Plan" (including Appendix B, "Seismic Safety") as adopted by the San Jose City Council in 1994 or adopted by City Ordinance or other City Council action pursuant to required disclosures below:

- "City of San Jose Fault Hazard Zone Maps" dated 1983 and on file in the Department of Public Works pursuant to §17 of the City of San Jose Municipal Code.
- "Geotechnical Report, Geological Investigation, City of San Jose Sphere of Influence," produced in 1974 by Cooper, Clark, and Associates pursuant to §17 of the City of San Jose Municipal Code.
- "City of San Jose Special Geologic Hazard Study Area Map" and any map(s) that show any land added by way of amendment pursuant to §17.10.805 of the City of San Jose Municipal Code.
- "Landslide Areas Map, City of San Jose Phase 1A Regional Geologic Study," produced in 1995 by Norfleet Consultants.
- "Strong Neighborhood Initiative ("SNI") / Redevelopment Area" maps produced by the City's Planning Services Division.

By local ordinance, the City of San Jose requires disclosure of these geologic hazard zones, neighborhood and redevelopment areas, and street tree maintenance requirements to potential buyers of real property

FAULT

San Jose Fault Hazard Zones are areas identified by the State of California and the City of San Jose Department of Public Works that include Alquist-Priolo Earthquake Fault Zones as designated by the California Geological Survey, as well as City Special Studies Zones and City Potential Hazard Zones. These three zones are disclosed in this Report as "City Fault Zones." The City has also identified "Reported Faults" which have been buffered on all sides by one-eighth of one mile and are disclosed in this Report as "Reported Faults."

Reporting Standards: If any portion of the Property is located within a City Fault Zone as delineated in the Public Record, "City Fault Zone" shall be reported. If any portion of the Property is located within one-eighth of one mile (660 feet) of a Reported Fault as delineated in the Public Record, "Reported Fault" shall be reported.

LANDSLIDE SUSCEPTIBILITY

Standard Geologic Hazard Study Area: These are areas identified by the City as having a very high, high, or moderate to high landslide susceptibility and are disclosed in this Report as "Moderate to Very High." In most places, these "Standard" areas are equivalent to and replace the old definition of a "Special Geologic Hazard Area" that was used by the City of San Jose prior to the August 23, 1994 updating of their maps. Areas identified by the City as Least, Low, and Low to Moderate are also disclosed in this Report as "Least to Moderate."

Reporting Standards: If any portion of the Property is located within a mapped area of Moderate to High, High, or Very High Landslide Susceptibility as delineated in the Public Record, "Moderate to Very High" shall be reported. If no portion of the Property is within this "Moderate to Very High" area and is within the mapped area, then "Least to Moderate" shall be reported.

SPECIAL GEOLOGIC HAZARD STUDY AREA

Special Geologic Hazard Study Area: A limited zone defined by the City that is undergoing a special phased geologic study to define areas that are underlain by active landsliding. New development, grading or building permits for property improvements in this area will take into consideration information from the first phase of the Final Report, Phase 1A Regional Geologic Special Study that has been completed, this report is titled Study of the Special Geologic Hazard Area, this first phase has delineated the following landslide zones within the City of San Jose. Special Geologic Hazard Area:

- **Zone X -** Not within a landslide area. However, the possibility exists of unrecognized landslides in this area.
- **Zone Y -** Not enough information to determine if the area is within or not within a landslide area. These areas could encompass all types of possible landslides, but it could not be determined with the information available in the Phase 1A Study if this was the case.
- **Zone Z -** Within a landslide area, this area encompasses active, recent, and old landslides.

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NOTE: Zones X, Y, and Z were determined using air photo analysis and field studies. No distinctions were made as to the size, age, depth or activity of any landslide. If the subject property is located in a "Standard" or a "Special" Geologic Hazard Study Area, or if other geologic information of concern exists in the City's files, a "Certificate of Geologic Clearance" from the Department of Public Works is required prior to any discretionary approval for development or any grading or building permit for improvements to a site. In order to obtain a Clearance for sites within a "Special Geologic Hazard Study Area," the property owner is required to perform a Geologic Evaluation according to City ordinance (Chapter 17.10, Part 6). An "on" or "off-site" geologic study may have been prepared for the site. Such reports are normally available for review in the office of the City's engineering geologist. The preceding information must be disclosed to the buyer by the agent for the seller of the subject property in accordance with Section 10176(a) of the California Business and Professions Code and "Disclosure to Prospective Purchasers," Title 17, Chapter 17.10, Part 9, Section of the City of San Jose Municipal Code.
Reporting Standards: If any portion of the Property is within one or more of the 3 Special Geologic Hazard Study Areas as delineated in the Public Record, the name of that Zone or Zones shall be reported.

SAN JOSE REDEVELOPMENT AREAS (Strong Neighborhood Initiative Areas)
The Strong Neighborhoods Initiative ("SNI") is a commitment made by the Mayor and the Council to unite with San Jose communities to strengthen City neighborhoods. SNI is about cleaner, safer neighborhoods and connecting those neighborhoods to resources and to each other. It is listening to San Jose neighborhoods and responding to citywide priorities. By focusing resources from the City of San Jose, San Jose Redevelopment Agency, private investment, and public-private partnerships, the Strong Neighborhoods Initiative will improve conditions, enhance community safety, and strengthen neighborhood associations.
The Agency, under this Plan, is authorized to develop or otherwise participate in certain publicly owned projects in various neighborhoods as may be determined and approved in accordance with California Redevelopment Law, such as community centers, fire stations, libraries, joint school projects, community gardens, open space and cultural facilities. The Agency also sponsors programs to develop affordable housing and to provide funds to rehabilitate residential and commercial properties, like grants for exterior renovations and roofing.

- **Industrial Redevelopment Areas** were created to encourage the expansion and location of research and development, office, manufacturing, warehouse and commercial uses, attract local jobs, and increase various revenue sources to the city.
- **Downtown Redevelopment Area** is modeled after the San Jose of 1900-1950, a 24-hour city where people lived, worked, and shopped.
- **Neighborhood Business Districts** were created to revitalize, and encourage private investment in, San Jose's older commercial neighborhoods. Enhanced by community involvement, the NBD program tackles parking problems, improves building facades, extends street improvements, modernizes underground utilities, and offers marketing advice to small businesses.
- **Neighborhood Business Clusters** were created to revitalize and increase commercial and residential development to better serve the needs of the neighborhood.

For more information please visit the City web site at http://www.strongneighborhoods.org/
Reporting Standards: If the Property is one of the SNI Areas, Districts, or Clusters as delineated in the Public Record, the name of that Area, District, or Cluster shall be reported.

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ADDITIONAL PROPERTY SPECIFIC DISCLOSURES

FORMER MILITARY ORDNANCE SITE DISCLOSURE

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

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

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

COMMERCIAL OR INDUSTRIAL ZONING DISCLOSURE

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

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

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

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

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AIRPORT INFLUENCE AREA DISCLOSURE

DISCUSSION:

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

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

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

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

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

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AIRPORT NOISE DISCLOSURE

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

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

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

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

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

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

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SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION DISCLOSURE

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

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

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

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

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

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CALIFORNIA ENERGY COMMISSION DUCT SEALING & TESTING REQUIREMENT

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

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

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

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

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

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

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

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

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The Natural Hazard Disclosure Report For SANTA CLARA COUNTY

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SAN JOSE, SANTA CLARA COUNTY, CA 95131
("Property")

APN: 241-41-098
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Report Number: 745511

RIGHT TO FARM DISCLOSURE

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

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

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

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

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

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

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ADVISORIES

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

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

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

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

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

San Jose "High Risk" Sex Offender Disclosure
Additional data on persons required to register pursuant to paragraph (1) of subdivision (a) of Section 290.4 of the Penal Code can be found on the website of the San Jose Police Department at www.sjpd.org.

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

Santa Clara County Sheriff's Department	(408) 299-2211
San Jose Police Department	(408) 277-8900

Explanation and How to Obtain Information

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

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METHAMPHETAMINE CONTAMINATED PROPERTY DISCLOSURE ADVISORY

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

MOLD ADVISORY

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

As part of a buyer's physical inspection of the condition of a property, the buyer should consider engaging an appropriate and qualified professional to inspect and test for the presence of harmful molds and to advise the buyer of any potential risk and options available. This advisory is not a disclosure of whether harmful mold conditions exist at a property or not. No testing or inspections of any kind have been performed by The Company. Any use of this form is acknowledgement and acceptance that The Company does not disclose, warrant or indemnify mold conditions at a property in any way and is not responsible in any way for mold conditions that may exist. Information is available from the California Department of Health Services Indoor Air Quality Section fact sheet entitled, "Mold in My Home: What Do I Do?" The fact sheet is available at www.cal-iaq.org or by calling (510) 540-2476.

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

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

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RADON ADVISORY

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

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

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

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

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ENDANGERED SPECIES ACT ADVISORY

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

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

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

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

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

For Northern California visit:
http://www.fws.gov/sacramento/es/spp_lists/auto_list_form.cfm

For Southern California visit:
http://www.fws.gov/carlsbad/CFWO_Species_List.htm

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ABANDONED MINES ADVISORY

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

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

The Office of Mine Reclamation (OMR) and the U.S. Geological Survey maintain a database of abandoned mines -- however, it is known to be incomplete and based on maps that are often decades out of date. Many mines are not mapped because they are on private land. The OMR warns that **the State's abandoned mines database *"should NOT be relied upon for...the obligations of sellers of real property and their disclosure obligations under California law."* (See reference below.)**

This Report does not contain an abandoned mines disclosure from any government database or map or any other source.

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

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

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OIL & GAS WELL ADVISORY

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

According to the California Department of Conservation ("DOC"), to date, about 193,000 oil, gas, and geothermal wells have been drilled in California and around 88,000 are still in use. The remaining wells (1) are used intermittently ("shut-in" wells), (2) have been sealed ("capped") under the supervision of the DOC's Division of Oil, Gas and Geothermal Resources, or (3) have been abandoned and have no known responsible operator -- these are called "orphan" wells. The state has a special fund that pays the cost of safely capping orphan wells, however, that program is limited in its scope and progress.

Buyer should be aware that oil and gas wells, which may include orphan wells, exist in SANTA CLARA County. Health and safety hazards may be associated with oil and gas wells, whether orphan, capped or active, including, but not limited to, soil and groundwater contamination, oil and methane seeps, fire hazards, air quality problems, and physical safety hazards to humans and animals.

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

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TSUNAMI MAP ADVISORY

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

These maps specifically contain the following disclaimer:

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

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

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

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

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

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

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

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METHODS AND LIMITATIONS

This section will summarize (a) the methods used in creating this Report, (b) the limitations with respect to the determination and the Public Record, and (c) the responsibilities and liabilitiesof JCP-LGS under this Report. Please read this section to fully understand the limitations of this Report and JCP-LGS's responsibilities.

A. LIMITATIONS ON PUBLIC RECORD INFORMATION AND THIS REPORT

JCP-LGS has accurately reported the information in the Public Records with respect to the Property as of the Report Date. With respect to the Public Records, it is important to understand that:

- The Public Records may not be accurate, current, fully detailed, or complete.
- A parcel of real property may be affected by hazards that have not been identified in the Public Records.
- There may be other governmental Public Records with relevant information which are not included in this Report.
- JCP-LGS does not make any representations as to:
  - The significance or extent of any hazard disclosed.
  - Any related health or risk of the hazard to humans or animals or how they may affect the Property.
  - The drinking water sources for the Property.
  - Any information regarding the Property after the Report Date.

B. REPORTING STANDARDS

The Reporting Standards utilized by JCP-LGS in making each determination are specified in the Disclosure Explanations (Sections 1 through 3, inclusive) of this Report. If the Property is near the state border, hazards which may be in the adjoining state or nation are not disclosed in this Report. Where appropriate, JCP-LGS may use the assessor's rolls, cadastral-type maps, photographic enlargements of maps and various cartographic techniques to locate the site on the appropriate map. The respective determination is made as accurately as reasonably possible using these maps. For purposes of defining property lines, the assessor's parcel number and parcel maps are used. Any errors in the assessor's rolls may affect the determination procedures. If the Public Record is not of sufficient accuracy or scale that a reasonable person can determine if the Property is within a delineated hazard area or zone, "IN" or "YES" will be reported for the corresponding disclosure.

If the Property is situated within a condominium project or planned unit development, and if the Property has an undivided fee interest in the common area of said project or development, "IN" or "YES" will be reported for the corresponding disclosure if any portion of that common area is situated within the specified hazard area or zone, *even if the primary lot comprising the Property is not directly affected by that hazard area or zone*. If "IN or "YES" is reported, the association or owner of such a project or development should be contacted to determine if adequate liability insurance is in place for such hazard(s). Likewise, "IN" or "YES" will be reported if the Property is situated within a mobile home park and if any portion of that park is situated within a specified hazard area or zone, even if the primary lot comprising the Property is not directly affected by that hazard area or zone.

C. NOT AN INSPECTION REPORT

JCP-LGS does not perform a physical examination or any testing of the Property. This Report only provides information electronically derived from the specific Public Record identified for each disclosure in the Disclosure Explanation (Sections 1 through 3, inclusive) of this Report. This Report should not be considered a substitute for an on-site environmental and/or geological or engineering assessment. If additional information is desired, the Parties are encouraged to investigate other sources and to consult an environmental expert, a geologist, an engineer or other expert.

D. CHANGES TO PUBLIC RECORD AFTER REPORT DATE

The Parties are advised that the Public Records may change after the Report Date and JCP-LGS is not responsible for advising the Parties of any changes to the determinations that may occur after the Report Date. As a courtesy, JCP-LGS will update this Report at no cost during the transaction process for which this Report was issued, if requested.

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E. ONLY THE PARTIES MAY RELY ON THIS REPORT

This Report is valid, the Parties may rely on the Report, and a contract is formed with JCP-LGS, **only** upon receipt by JCP-LGS of payment of the full price of the Report. This Report may be relied upon only by the Parties to the transaction for which it has been purchased. This Report cannot be relied upon (a) by any persons other than the Seller, the Buyer and their Agents, (b) for any other real property, (c) for any future transactions involving the Property, or (d) for any real property which is not 1-4 family residential property. The price paid for the Report does not include any amounts for protection of such other parties.

F. ERRORS AND OMISSIONS INSURANCE

JCP-LGS maintains errors and omissions insurance. As of the Report Date, JCP-LGS has $20M aggregate in errors and omissions insurance.

G. LIMITATIONS ON JCP-LGS'S LIABILITY

JCP-LGS is not responsible for:

- Any inaccuracies or incompleteness of the information in the Public Records.
- Inaccurate address information provided for the Property.
- Any other information not contained in the specified Public Records as of the Report Date.
- Any information which would be disclosed by a physical inspection of the Property.
- Any information known by one of the Parties.
- The health or risk to humans or animals that may be associated with any of the disclosed hazards.
- The costs of investigating or remediating any of the disclosed hazards.

This Report is not an insurance policy and does not provide the same protections as an insurance policy. The price of this Report has been established with the understandings of the responsibilities of JCP-LGS as set forth in this Section. The premium for an insurance policy would be significantly greater than the cost of this Report. The Parties acknowledge that claims for damages beyond actual losses can significantly increase the costs of Reports and make prompt resolution of claims more difficult. In order to induce JCP-LGS to provide this Report for the price charged, and to help streamline the process of resolving any disputes between the Parties and JCP-LGS, the Buyer, Seller and Agents agree that if there is a material error or omission in this Report:

- **The Party who suffers damages as a result of such error or omission shall be entitled at most to recover from JCP-LGS the actual proved damages measured by the difference in the fair market value of the Property as of the Report Date, caused by the error or omission but not in excess of sale price of the Property to the Buyer. The Party making such claim must notify JCP-LGS promptly of such claim, take no action which will adversely affect JCP-LGS's liability or defenses to such claim and the Party must fully cooperate with JCP-LGS in the defense of such claim. The Party shall cooperate with providing reasonable evidence of the claim as requested by JCP-LGS.**
- **JCP-LGS shall not be liable for indirect, consequential, personal injury, physical damage or punitive damages (including, but not limited to, emotional distress or pain and suffering).**
- **JCP-LGS will defend the Parties regarding a claim made in accordance with the foregoing provisions. JCP-LGS shall have the right to choose the legal counsel and control the defense of such claim as it reasonably determines.**
- **JCP-LGS shall be subrogated to all rights of the claiming Party against anyone including, but not limited to, another Party who had actual knowledge of a matter and failed to disclose it to the other Parties in writing prior to the Sale Date.**

H. SELLER AND SELLER'S AGENT'S RESPONSIBILITY OF FULL DISCLOSURE

Sellers of real property and their agents should always fully disclose all material facts regarding the real property which they are selling. Regardless of the information in this Report, if Seller or Seller's Agent has any actual knowledge of hazards potentially affecting the Property, that information should be promptly disclosed in writing to the Buyer and the Buyer's Agent.

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I. OTHER AGREEMENTS

This Report sets forth the complete, integrated agreement between JCP-LGS and the Parties. Evidence of prior or contemporaneous statements, representations, promises or agreements shall not be admissible to vary the terms of this written agreement. This agreement may not be changed or amended except by a written document signed by an authorized representative of JCP-LGS and the Parties. In the event that any dispute arises between JCP-LGS and any Parties arising out of or relating to this Report or its subject matter, or any act or omission of JCP-LGS, the prevailing party shall be entitled to recover his, her or its reasonable costs, including attorneys' fees, from the losing party.

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ADDENDUM

CITY OF SAN JOSE STREET TREE DISCLOSURE FORM

The City of San Jose ("City") requires the seller or transferor of residential real property ("Property") in the City to disclose to the acquirer of the Property whether the Property fully complies with the City's requirements to have, maintain and if necessary, replace street trees pursuant to the San Jose Municipal Code ("SJMC").

13.28.195 Disclosure Obligations Upon Sale or Transfer of a Residential Real Property

A. Not less than seven (7) business days before the sale or other transfer of residential real property concludes a selling or transferring property owner must disclose to the acquiring property owner, on a disclosure form provided by the City, whether the residential real property to be sold or transferred fully complies with the City's street tree maintenance and replacement requirements of Sections 13.28.130.B and 13.28.190.

B. If the selling or transferring property owner cannot determine whether street trees located on the residential property are substantially in compliance with the approved development permits for the property, or the property's approved development permits are inconclusive as to the requirements for the presence and location of street trees on the property, then the following requirements for the planting and presence of street trees shall apply:

1. The property must have one (1) street tree for any adjacent street if it is an interior lot and at least three (3) street trees if it is a corner lot, unless otherwise modified by the Director in the interest of public safety.
2. If the current General Plan requirements for street trees on the property differ from the requirements specified in Subsection B.1, then the current General Plan requirements shall govern the number and location of street trees required on the property at the time of sale or transfer. If the property meets the General Plan requirement, then the selling property owner must indicate such compliance with the General Plan on the disclosure to the acquiring property owner.
3. All street trees shall be planted in accordance with the requirements of Section 13.28.070.

C. Upon a written request, the Director may grant the selling or transferring property owner an exemption in writing from the requirements of this Section if the Director determines in the interest of public safety that planting and maintaining street trees on the residential property at the time of sale or transfer is not appropriate. Such an exemption does not run with the land and shall not allow any deviations from the disclosure requirements upon residential real property sales or transfers for future sellers or transferors.

To the best of my/our knowledge but without any investigation, I/WE, _____ disclose that the street tree(s) on the Property to be sold or transferred and located at _____ San Jose, CA _____ are in the following condition:

☐ 1. The property fully complies with the street tree requirements outlined in the SJMC
☐ 2. The property does not have the required number of street trees as required by the SJMC.
☐ 3. The property has the required number of street trees but the street trees have not been maintained as required by the SJMC.
☐ 4. Seller/Transferor is unaware if the requirements to have and maintain street trees on the Property have been met.

Property Address: _____ San Jose, Santa Clara County, CA

Seller _____ _____
Signature(s) Print name(s) Date

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

Buyer _____ _____
Signature(s) Print name(s) Date

Property Address: 1274 NOTTING HILL DR ,
SAN JOSE, SANTA CLARA COUNTY, CA 95131
("Property")

APN: 241-41-098
Report Date: 04/30/2010
Report Number: 745511

ABOUT THE CITY OF SAN JOSÉ STREET TREE ORDINANCE

Two changes to San José's Street Tree Ordinance took affect in August 2003 that affect all San José property owners. Street trees are along the street, usually between the curb and sidewalk, and it is the responsibility of property owners to maintain street trees adjacent to their property.

Tree Pruning
The first change allows pruning of street trees without a permit, if the property owner uses a tree service company that has registered with the City of San José Department of Transportation. Companies that have registered with the City agree to abide by the City's tree pruning standards. A list of currently registered tree companies can be obtained by calling the City Arborist Office at (408) 277-2762, or by accessing the link on the City of San José website at: www.ci.san-jose.ca.us/dot/tl_treepermits.htm. A trimming permit is not required when addressing an immediate dangerous public safety condition involving a tree. The City Arborist Office, however, does need to be notified of such emergency pruning work within two business days.

Seller Disclosure Requirement
The second change to the ordinance requires a disclosure when residential property within San José is sold. San José requires street trees in the public right of way. For corner lots, the standard is a minimum of three street trees, while for interior lots between the corners of a block the standard is at least one tree in the right-of-way. Along with other disclosures that are made during the sale, the seller must disclose to the buyer the status of the property's compliance with the street trees requirement.

If the property owner feels that, for reasons of public safety, there are conditions that may prevent the planting of any of these trees, the property owner can contact the City Arborist Office at (408) 277-2762 to have the situation evaluated.

The City of San José's office called "Our City Forest" is a one-stop resource for residents to obtain planting permits, information about the types of street trees, and planting materials, including trees, stakes and root barriers. Our City Forest also provides planting assistance, if needed, as well as information on proper watering and tree care methods. For more information, contact Our City Forest at (408) 998-7337. Street tree planting permits are also available from the City Arborist Office.

Residents having questions about changes to the Street Tree Ordinance should contact the City of San José Department of Transportation Arborist Office at (408) 277-2762.

(Information provided by the City of San José, California)

Property Address: 1274 NOTTING HILL DR ,
SAN JOSE, SANTA CLARA COUNTY, CA

APN: 241-41-098
Report Date: 04/30/2010
Report Number: 745511

California Property Tax Disclosure Report™

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

PART 1. INTRODUCTION AND SUMMARY:

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

The Residential Property:

A.	**IS** ☐	**IS NOT** ☒	**Subject to one or more Mello-Roos Community Facilities Districts.**
B.	**IS** ☐	**IS NOT** ☒	**Subject to one or more 1915 Bond Act Assessment Districts.**
C.	**IS** ☒	**IS NOT** ☐	**Subject to other direct assessments.**

For more detailed information as to the foregoing determinations, please review Part 2 and Part 3.

THIS IS A DATABASE REPORT ONLY: This Report only provides information from the Databases identified in this Report. While FANHD has made good faith efforts to report from the Databases as accurately as possible, the quality, accuracy, and currency of the information contained in these Databases can vary greatly. For more information regarding a specific Database, please read Part 2 of this Report.

LIABILITY PROTECTIONS: Upon consummation of the sale of the Residential Property to Buyer ("Sale Date"), the Parties involved in that sale are protected against loss caused by an error in this Report as specified in Part 8 entitled "Methods and Limitations." The Parties understand that this is a report product and not an insurance policy.

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

BUYER'S ACKNOWLEDGEMENT

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

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Property Address: 1274 NOTTING HILL DR ,
SAN JOSE, SANTA CLARA COUNTY, CA

APN: 241-41-098
Report Date: 04/30/2010
Report Number: 745511

PART 2. CURRENT TAX BILL SUMMARY

The following is a summary of information contained in the 2009-2010 year secured property tax bill issued by SANTA CLARA County. It is provided for informational purposes only. Ad valorem tax assessments are calculated annually based on the assessed value of the land and improvements. Upon transfer of ownership, the assessed value will be reset to the sale price which can result in a substantial change in the taxes assessed. Please see Parts 6 and 7 of this Report for more information regarding ad valorem taxes and supplemental taxes.

Total Assessed Value:	$364,979
1st Installment Due 11/01/2009	$ 2,730.19
2nd Installment Due 03/01/2010	$ 2,730.19
Total Annual Tax Liability	$ 5,460.38

GENERAL AD VALOREM TAXES

ASSESSMENT TYPE	AMOUNT	CONTACT PHONE
AD VALOREM ASMT.	$ 4,434.26	408-808-7900

OTHER DIRECT ASSESSMENTS

ASSESSMENT TYPE	DESCRIPTION	AMOUNT	CONTACT PHONE
FIXED ASSESSMENT	BERRYESSA SD PCL TX	$ 79.00	408-923-1860
FIXED ASSESSMENT	MOSQUITO ASMT #2	$ 8.36	800-273-5167
FIXED ASSESSMENT	OPENSPACE DISTRICTS	$ 12.00	800-273-5167 X 105
FIXED ASSESSMENT	S.J. DELINQ GARBAGE	$ 355.94	408-535-3866
FIXED ASSESSMENT	S.J. LIBRARY ASSMT.	$ 27.32	408-808-2153
FIXED ASSESSMENT	SCCO VECTOR CONTRO	$ 5.08	800-273-5167
FIXED ASSESSMENT	SCVWD CLN SAFE CRKS	$ 49.62	408-265-3137
FIXED ASSESSMENT	SJ SEWER SANI/STORM	$ 463.68	408-535-3876
FLOOD CONT DIST	SCVWD FLOOD CONTR	$ 25.12	408-265-2607 X 2810

MELLO-ROOS ASSESSMENTS

This property **is not subject to** Mello-Roos Community Facilities Districts

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Property Address: 1274 NOTTING HILL DR ,
SAN JOSE, SANTA CLARA COUNTY, CA

APN: 241-41-098
Report Date: 04/30/2010
Report Number: 745511

1915 BOND ACT ASSESSMENTS

This property **is not subject to** 1915 Bond Assessment Districts

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PART 3. NOTICE OF SPECIAL TAX/ASSESSMENT

TO THE PROSPECTIVE PURCHASER OF THE RESIDENTIAL PROPERTY KNOWN AS:

Parcel Number: 241-41-098
Property Address: 1274 NOTTING HILL DR , SAN JOSE, SANTA CLARA COUNTY, CA

Report Date: 04/30/2010

THIS IS A NOTIFICATION TO BUYER PRIOR TO PURCHASING THE RESIDENTIAL PROPERTY.

A. Mello-Roos Community Facilities Districts:

If the Residential Property is within the Mello-Roos community facilities district listed below, it is subject to a special tax that will appear on the property tax bill. This special tax is in addition to the ad valorem property taxes and any other charges and benefit assessments that will be itemized on the property tax bill and the proceeds of this tax or assessment are used to provide public facilities or services that are likely to particularly benefit the real property. This special tax may not be imposed on all parcels within the city or county where the property is located.

The current tax levy, maximum tax levy, the maximum tax escalator, and the authorized facilities and/or services which are being paid for by the special taxes are indicated below. THE BUYER SHOULD TAKE THIS TAX AND THE BENEFITS FROM THE PUBLIC FACILITIES AND SERVICES FOR WHICH IT PAYS INTO ACCOUNT IN DECIDING WHETHER TO BUY THE RESIDENTIAL PROPERTY.

Note: If "yes" is marked under Accelerated Foreclosure, please see Part 4 for more detailed information.

Mello-Roos Assessment Districts Applicable to the Residential Property

This property **is not subject to** Mello-Roos Community Facilities Districts

B. 1915 Bond Act Assessment Districts:

If the Residential Property is within a 1915 Bond assessment district listed below, this assessment district has issued bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to all real property within the assessment district. The bonds will be repaid from annual assessment installments against the property within the assessment district.

Annual assessment installments of such an assessment district will appear on the real property tax bills and are in addition to the ad valorem property taxes and any other charges and levies that will be itemized on the property tax bill. If the assessment installments are not paid when due each year, the Residential Property may be foreclosed upon and sold.

The annual assessment installment against the Residential Property and the public facilities that are being financed by the proceeds from the sale of bonds that are being repaid by the assessments are indicated below.

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THE BUYER SHOULD TAKE ANY ASSESSMENT(S) AND THE BENEFITS FROM THE PUBLIC FACILITIES FOR WHICH IT PAYS INTO ACCOUNT IN DECIDING WHETHER TO BUY THE RESIDENTIAL PROPERTY.

This property **is not subject to** 1915 Bond Assessment Districts

A COPY OF THE RESOLUTION CONFIRMING ASSESSMENTS THAT SPECIFIES MORE PRECISELY HOW THE ASSESSMENTS ARE APPORTIONED AMONG PROPERTIES IN THE ASSESSMENT DISTRICT CAN BE OBTAINED BY CALLING THE CONTACT NAME AND NUMBER LISTED ABOVE. THERE MAY BE A CHARGE FOR THIS DOCUMENT NOT TO EXCEED THE ESTIMATED REASONABLE COST OF PROVIDING THE DOCUMENT

C. Available Senior Citizen Exemptions

Certain districts that levy special assessments may offer exemptions to senior citizens. These exemptions can result in substantial savings to qualified buyers. The filing of an application along with annual renewal may be required. Below is the contact information for requesting exemption filing details for any districts offering a Senior Citizen Exemption.

No Senior Citizen Exemptions are available for special assessments on the 2009-2010 tax bill.

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PART 4. ACCELERATED FORECLOSURE INFORMATION

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

If the Residential Property is subject to an assessment or bond issue with an accelerated foreclosure lien, the detailed information is disclosed below.

A. Mello-Roos Community Facility Districts

This property **is not subject** to a Mello Roos Community Facility District Tax containing an accelerated foreclosure provision.

B. 1915 Bond Act Assessment Districts

This property **is not subject** to a 1915 Bond Act Assessment District Tax containing an accelerated foreclosure provision.

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PART 5. AD VALOREM TAX INFORMATION

A. TAX BILL INFORMATION AS OF REPORT DATE

As of the Report Date, the following is a summary of the current year secured real property tax bill applicable to the Residential Property and is provided ***for informational purposes only.*** Ad valorem taxes are calculated annually based on the assessed value of the land and improvements. When a parcel of real property is sold, the assessed values are reset to the sales price. Ad valorem taxes *can increase dramatically if the sales price differs from the current assessed value of the real property!* Also certain exemptions and exclusions may be available to the existing owner which may not be available to Buyer.

Ad Valorem Taxes ***(Historical information only based on Seller's current tax bill)***

AGENCY	DESCRIPTION	CONTACT NAME	CONTACT PHONE	AMOUNT
SANTA CLARA COUNTY	AD VALOREM ASMTS.	SANTA CLARA COUNTY TREASURER	408-808-7900	$ 4,434.26

Buyer is advised that the foregoing information is of general interest only and will not be applicable to the Buyer. Upon acquisition of the Residential Property, Buyer may be subject to increased ad valorem taxes based on the sales price of the Residential Property. Please see the subsection B below to calculate the estimated ad valorem taxes applicable after the sale.

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B. CALCULATING PROPERTY TAXES AFTER SALE (ESTIMATE ONLY)

PROPERTY TAX ESTIMATOR

The following calculation method is provided to assist Buyer in *estimating* the approximate amount of the ad valorem taxes that the Residential Property will be for the 2009-2010 (tax year) based on the assessed valuation being equal to the sales price. The amount derived is only an estimate and is not a substitute for a tax bill from the County, nor does it anticipate new property tax charges, fees or other changes in the property tax rates for the new tax year. Please see subsection D below for general information about Ad Valorem Taxes.

1	Estimated Sales Price	1	$_____
2	Estimated Ad Valorem Tax Rate	2	**0.01215**
3	Multiply line 1 by line 2. This is your Estimated Ad Valorem Tax.....	3	$_____
4	Mello Roos, 1915 Bonds, and/or Other Direct Assessments	4	$**1026.12**
5	Add lines 3 and 4. Total Estimated Annual Tax Amount After Sale	5	$_____

The information in this subparagraph B is an estimate only. The purpose of this "ESTIMATOR" is to assist Buyer in planning for ad valorem taxes which will be applicable after the Sale Date. This "ESTIMATOR" requires the Buyer's projection of the purchase price of the Residential Property. Please note that potential exemptions and exclusions are not reflected in this estimate. FANHD is not responsible or liable for any losses, liabilities or damages resulting from use of this Property Tax Estimator.

C. EXEMPTIONS & EXCLUSIONS TO AD VALOREM TAXES

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

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

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

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

In order to determine if Buyer may qualify for any exemptions or exclusions or to obtain a comprehensive list of available exemptions and exclusions, please contact the county tax assessor's office (408-808-7900) or visit the county website at www.scctax.org. Additional information is also available on the website for the California Board of Equalization at www.boe.ca.gov

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D. GENERAL INFORMATION REGARDING AD VALOREM TAXES

County assessors must value property in accordance with the California Constitution and the California Revenue & Taxation Code and related laws and regulations.

Full cash value, also known as "market value" or "fair market value," means the amount of cash or its equivalent which property would bring if exposed for sale in the open market.

A property's "base year value," for real property assessed under Proposition 13, is the property's full cash value as of the date of the latest change in ownership or completion of new construction.

An "adjusted base year value" (sometimes also referred to as the "factored base year value") is the property's base year value adjusted by an annual inflation factor, not to exceed two percent (2%) per year.

Taxable value is the value upon which the base property taxes are calculated. For most real property, this is the adjusted base year value or the property's current market value, whichever is lower.

The assessment roll is the official list of all assessable property in the county.

The lien date is the "moment" of valuation for all property. Annually, the taxable status and value of property is determined as of 12:01 a.m. on January 1. The fiscal tax year runs from July 1 to June 30.

Proposition 13 limits the general property tax rate to one percent (1%) of the assessed value, plus an amount for the debt service on any bonds approved by popular vote. The tax rate will vary depending upon where the property is located.

For more information regarding your tax bill we invite you to visit our website at:
http://www.fanhd.com/Portals/0/fanhd/pdf/FANHD_Tax_Disclosure_Addendum.pdf

PART 6. SUPPLEMENTAL TAX INFORMATION

A. SUPPLEMENTAL TAX DISCLOSURE

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

NOTICE OF YOUR 'SUPPLEMENTAL' PROPERTY TAX BILL

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

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

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

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B. CALCULATING SUPPLEMENTAL TAXES AFTER SALE (ESTIMATE ONLY)

SUPPLEMENTAL TAX ESTIMATOR

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

1 Estimated Sales Price ..... ● 1 $_____
2 Estimated Current Assessed Value ..... ● 2 $364,979
3 Subtract line 2 from line 1.
Estimated Supplemental Assessed Value ..... ● 3 $_____
4 Multiply line 3 by 0.01215**.** (The Estimated Ad Valorem Tax Rate for the Residential Property)
Estimated Full-Year **Supplemental** Tax Obligation ..... ● 4 $_____

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

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

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

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

TABLE 1. Month-of-Sale Factor

Jan	0.4170
Feb	0.3333
Mar	0.2500
Apr	0.1667
May	0.0866

TABLE 2. Month-of-Sale Factor

Jun	1.0000
Jul	0.9167
Aug	0.8333
Sep	0.7500
Oct	0.6670
Nov	0.5830
Dec	0.5000

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

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C. GENERAL INFORMATION REGARDING SUPPLEMENTAL TAXES

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

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

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

PART 7. TRANSFER FEE/TAX ADVISORY: Governmental and Private Assessments Paid at the Close of Escrow

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

- **Documentary Transfer Tax.** This is a government tax imposed by a city or county when a property within the jurisdiction is sold or transferred. (It is commonly known as a "Real Estate Transfer Tax".) It is NOT the same as a Private Transfer Fee, which may be imposed by a private entity such as a property developer, home builder, or homeowner association.

A. PRIVATE TRANSFER FEES -- DISCLOSURE REQUIRED EFFECTIVE JAN. 1, 2008

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

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

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

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

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

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

B. DOCUMENTARY TRANSFER TAXES

Transfer Tax Defined. Under California Revenue and Taxation Code Sections 11911-11929, counties and cities are authorized to impose a tax on the transfer of real property located within their jurisdiction. The tax is commonly known by various names, including the Documentary Transfer Tax, or Real Property Transfer Tax, or Real Estate Transfer Tax (hereinafter, the "Transfer Tax").

How Much? The "one-time" payment is made at the close of escrow and routinely documented on the HUD-1 Settlement Statement. The amount of the Transfer Tax is typically based on the value or sales price of the real estate that is transferred. The county rate is one dollar and ten cents ($1.10) for each one thousand dollars ($1,000) of value. The rate for non-charter ("general law") cities is one-half of the county rate and is credited against the county tax due. Charter cities may impose a Transfer Tax at a rate higher than the county rate.

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

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

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

PART 8. METHODS AND LIMITATIONS -- PLEASE READ!

This Part will summarize (a) the methods used in creating this Report, (b) the limitations with respect to the data provided, and (c) the responsibilities and liabilities of FANHD under this Report. Please read this entire Part 8 carefully to understand the limitations of this Report and FANHD's responsibilities.

A. LIMITATIONS ON TAX INFORMATION

FANHD has accurately reported the information in the Databases as of the dates of each Database as specified in Part 2 ("Database Dates"). With respect to the Databases, it is important to understand that:

- The Databases may not be accurate, current, fully detailed, or complete.
- A parcel of real property may be subject to an assessment district that has been approved but not created as of the Report Date.

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- Changes may have occurred in the Databases since the Database Date specified above.
- There may be other governmental databases with relevant information which are not included in this Report.
- Personal property taxes are not included in this Report.
- Supplemental taxes can be assessed based on improvements to the real property after they have been completed and the assessor becomes aware of same. Supplemental taxes are **not** included in the Databases.
- Assessment districts which have been created but not funded are not included.

B. FANHD DOES NOT CONSTANTLY CHECK DATABASES FOR CHANGES

Each Database used in this Report is updated by the applicable governmental agency at various intervals as determined by that agency having responsibility for the database ("Responsible Agency") and may be made at any time and without notice. FANHD maintains an update schedule and makes reasonable efforts to use updated information but it cannot feasibly do so on a constant basis, and the complexities of obtaining and adapting the data into a usable format for preparing this Report necessitates some delay once the updated information is obtained. For these reasons, FANHD reports information as of the date when the Database was last updated by FANHD which specific date is specified as the "Database Date" for each Database in Part 2.

C. LIMITATIONS IN THIS REPORT

FANHD does not make any representations as to:

- The accuracy, validity or completeness of the Databases.
- Any information in a Database after the Database Date for that Database.
- Any information regarding the Residential Property after the Report Date.

This Report only provides information electronically derived from the Databases in accordance with the Methods and Limitations.

D. ONLY THE PARTIES MAY RELY ON THIS REPORT

This Report is valid, the Parties may rely on the Report, and a contract is formed with FANHD, **only** upon receipt by FANHD of payment of the full price of the Report.

This Report may be relied upon only by the Parties to the transaction for which it has been purchased. This Report cannot be relied upon (a) by any persons other than Seller, Buyer and their Agents, (b) for any other real property, or (c) for any future transactions involving the Residential Property. The price paid for the Report does not include any amounts for protection of such other parties.

C. LIMITATIONS ON FANHD'S LIABILITY

Given the limited nature of this Report, and the fact that FANHD is reporting, not assuming liability, FANHD is not responsible for:

- Any inaccuracies or incompleteness of the information in the Databases.
- Inaccurate address information provided for the Residential Property.
- Any other information not contained in the specified Databases.
- Any information known by one of the Parties.
- Any changes to the information in the Databases after the Database Date.

This Report is not an insurance policy and does not provide the same protections as an insurance policy. It does not obligate FANHD to defend any Party against any claims, and FANHD shall not have any duty to defend against any claims pursuant to California Civil Code § 2778 or otherwise. The price of this Report has not been based upon any responsibility for defense costs, nor for assumption of all tax liability. The premium for an insurance product would

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be significantly greater than the cost of this Report. The Parties acknowledge that claims for damages beyond actual losses can significantly increase the costs of Reports and make prompt resolution of claims more difficult. In order to induce FANHD to provide this Report for the price charged, and to help streamline the process of resolving any disputes between the Parties and FANHD, Buyer, Seller and Agents agree that if there is a material error or omission in this Report:

- **The Party who suffers damages as a result of such error or omission shall be entitled at most to recover from FANHD the actual proved damages measured by the difference in the fair market value of the Residential Property as of the Report Date, caused by the error or omission but not in excess of the present value of the total tax amount under-reported which would payable for a five (5) year period.**
- **FANHD shall not be liable for indirect, consequential, or punitive damages (including, but not limited to, emotional distress or pain and suffering).**

FANHD shall not be liable to a Party for any matters known to that Party or its Agent (including errors in this Report) and not disclosed in writing to both the other Parties and FANHD prior to the date the Residential Property is sold by Seller to Buyer.

D. SELLER AND SELLER'S AGENT'S RESPONSIBILITY OF FULL DISCLOSURE

Sellers of real property and their Agents should always fully disclose all material facts regarding the real property which they are selling. Regardless of the information in this Report, if Seller or Seller's Agent has any actual knowledge of tax information potentially affecting the Residential Property, that information should be promptly disclosed in writing to the Buyer and the Buyer's Agent.

E. OTHER AGREEMENTS

This Report sets forth the complete, integrated agreement between FANHD and the Parties. Evidence of prior or contemporaneous statements, representations, promises or agreements shall not be admissible to vary the terms of this written agreement. This agreement may not be changed or amended except by a written document signed by an authorized representative of FANHD and the Parties. In the event that any dispute arises between FANHD and any Parties arising out of or relating to this Report or its subject matter, or any act or omission of FANHD, the prevailing party shall be entitled to recover his, her or its reasonable costs, including attorneys' fees, from the losing party.

If any provision of this Report, or its application to any circumstance, is held to be invalid, unenforceable, or void, the remainder of this Report shall remain in full force and effect and enforced to the fullest extent possible.

END OF REPORT

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JCP-LGS Residential Property Disclosure Report
The EnviroCheck Report™
For SANTA CLARA COUNTY

Property Address: 1274 NOTTING HILL DR ,
SAN JOSE, SANTA CLARA County, CA 95131
("Residential Property")

APN: 241-41-098
Report Date: 04/30/2010
Report Number: 745511

INTRODUCTION AND SUMMARY

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

SUMMARY OF DETERMINATIONS

The Residential Property:

IS ☐ **IS NOT** ☒ **within 1/4 mile of a known leaking underground storage tank Site(s).**

IS ☒ **IS NOT** ☐ **within one (1.0) mile of a "Superfund" or RCRA Corrective Action site(s).**

IS ☒ **IS NOT** ☐ **within 1/2 mile of Site(s) other than those above that are listed in the databases specified in the Explanation of Databases Used in this Report.**

IS ☐ **IS NOT** ☒ **within 1/4 mile of a mapped oil or gas well(s).**

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

JCP-LGS prepared this Report. The Parties are protected by JCP-LGS's Professional Liability Insurance Policy for damages to the extent they are caused by JCP-LGS's negligent acts, errors or omissions in the performance of our services and subject to the limitations of this report.

Determined by JCP-LGS Disclosure Reports.

Greg Rufe, Chief Operating Officer
JCP-LGS Disclosure Reports

IMPORTANT: ACKNOWLEDGING RECEIPT OF THIS REPORT INDICATES THAT THE RECIPIENT HAS READ AND UNDERSTANDS THE "ABOUT THIS REPORT" PROVISIONS ON PAGE 2.

BUYER'S ACKNOWLEDGEMENT

Buyer(s) acknowledge(s) receipt of this EnviroCheck Report™ by his/her/their signature(s) on the Acknowledgement of Receipt form that is a part of this report package.

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ABOUT THIS REPORT

THIS IS A DATABASE REPORT ONLY: This Report only provides information from the Databases identified in this Report. While JCP-LGS has made good faith efforts to report from the Databases as accurately as possible, the quality, accuracy, and currency of the information contained in these Databases can vary greatly. For more information regarding a specific Database, please read the section below entitled "Explanation of Databases Used."

NOT AN INSPECTION REPORT: This Report is not the same thing as a physical inspection report or a full environmental assessment report. JCP-LGS has **not** physically inspected the Residential Property nor the Sites. This Report only summarizes the information from governmental Databases using the Point Source methodology described below to determine the proximity of Sites to the Residential Property.

LIABILITY PROTECTIONS: Upon purchase of this report and consummation of the sale of the Residential Property to Buyer ("Sale Date"), the Parties involved in that sale are protected against loss caused by any error in this Report as specified in the section below entitled "Methods and Limitations."

NOT AN INSURANCE POLICY: This Report is a binding contract but is not an insurance policy. The price charged for the Report does not cover the costs that would be necessary to provide all of the protections of an insurance policy.

UNDERSTANDING THIS REPORT: To understand the information in this Report, it is important to read the entire Report.

POINT SOURCE METHODOLOGY: This Report does not identify the precise areas actually contaminated by an environmental hazard; rather, as a reasonable approximation, it identifies as "point sources" for contamination those Sites identified in a specific Database, such as a leaking underground tank on a specific property. The point sources identified in this Report may not precisely reflect the location of the source of contamination on the Site, nor will they describe the spread of any contamination from the source. In addition, any point source that lies beyond the standard 1/4, 1/2 or 1.0 mile radius distances considered here will not be reflected in this Report--even if it is known to be the origin of a larger contaminated area. Point sources are included in this Report as of the time they are identified in the government lists consulted by JCP-LGS. If a box is checked "IS" on the above Summary of Determinations, JCP-LGS recommends further investigation of that Site.

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

Some official lists may include Sites that have been closed or otherwise cleaned up, or are simply being monitored or regulated with no known contamination.

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THE ENVIROCHECK REPORT™
TABLE OF CONTENTS

This Report includes the sections identified in this Table of Contents and is not complete if any one of these parts is missing.

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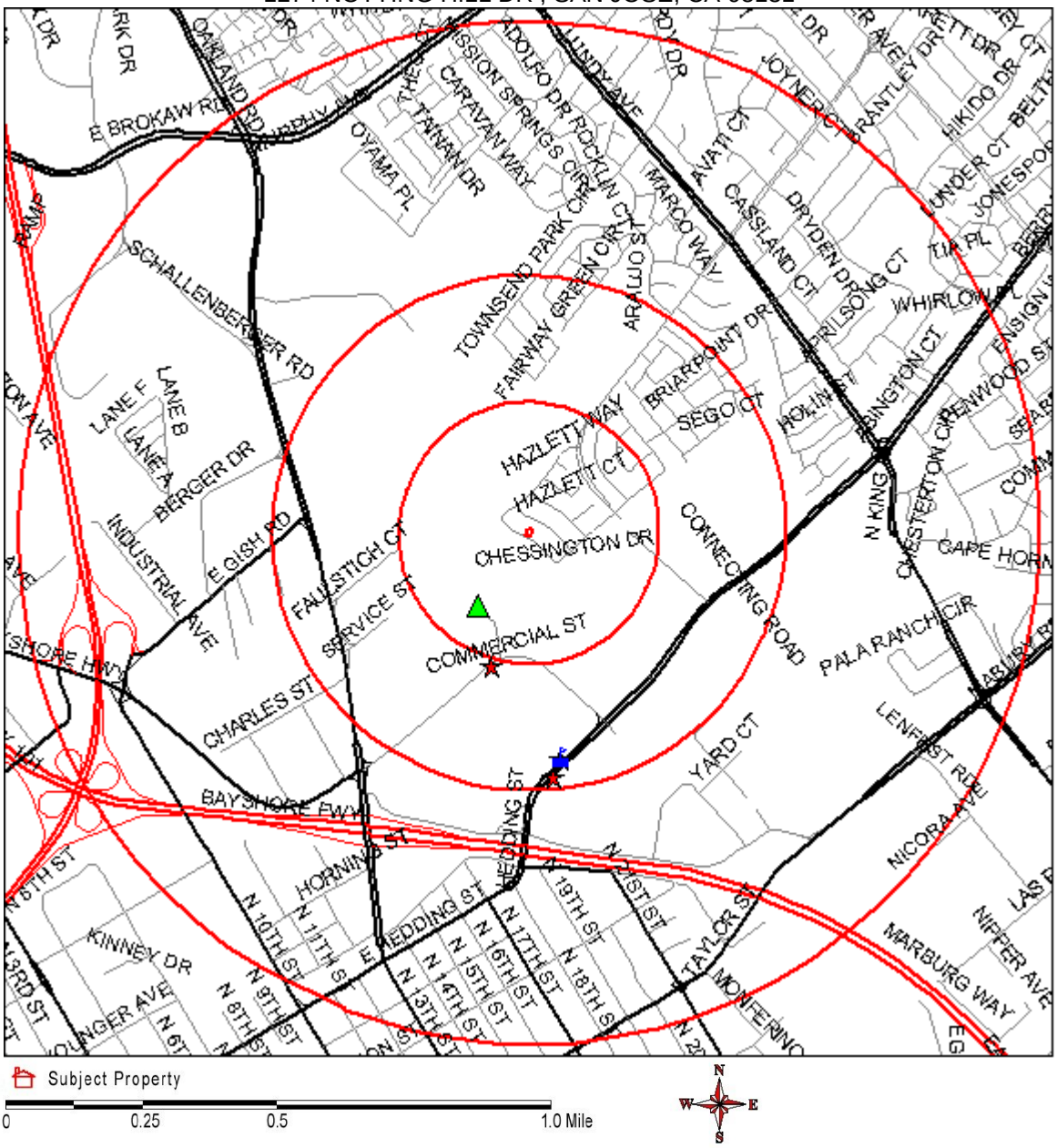
MAP OF SITES FOUND AROUND PROPERTY AT:

1274 NOTTING HILL DR , SAN JOSE, CA 95131



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

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

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LIST OF SITES IDENTIFIED IN ENVIRONMENTAL DATABASE RECORDS SEARCH

The list below indicates the results of an electronic search of certain federal and state level environmental-hazard record systems, or databases, that are known to include contaminated sites. The databases are searched for hazard sites at standard distances from the subject property. The standard search distance is not the same for all databases, but depends upon the nature of the environmental hazard which the database represents. First American uses search distances that comply with the U.S. Environmental Protection Agency (EPA) "All Appropriate Inquiry" (AAI) standard for government records search (40 CFR Part 312.26) under the U.S. Small Business Liability Relief and Revitalization Act ("the Brownfields Law"). "Distance" is the straight line distance in miles between the Property geocode (latitude/longitude) and the Site geocode.

Open = Site listed as undergoing clean-up, investigation, or referral to another agency; or as non-active, abandoned or absorbed but not closed or completed.
Closed = Site listed as clean-up completed, release secured, no further remedial action planned, case closed, or delisted.
Active (or **Inactive) =** Site facility listed as actively (or not actively) engaged in a type of activity regulated under RCRA.
N/A = Not Applicable – site listed as uncontaminated, or as using or storing hazardous substances.
N/P = Not Provided – site status not supplied on agency list used.

Found	None Found	Database Searched (with standard search distance)
☐	X	National Priorities List (Federal "Superfund" list) - 1 mile
X	☐	Federal Resource Conservation and Recovery Act (RCRA) - Corrective Actions List - 1 mile

Listed Site Name	Address	Case No.	Status	Distance (miles)
CLEAN HARBORS SAN JOSE LLC	1021 BERRYESSA ROAD, SAN JOSE, CA95133	CAD059494310	Active	0.442562

☐	X	California State Response List (includes Active Annual Workplan, AWP, sites) - 1/2 mile
X	☐	California Spills, Leaks, Investigation and Cleanup (SLIC) List - 1/2 mile

Listed Site Name	Address	Case No.	Status	Distance (miles)
WRE/COLORTECH	1040 COMMERCIAL STREET SAN JOSE, CA	SL0608507147	Closed	0.265432
SOLVENT SERVICES	1021 BERRYESSA Road San Jose, CA 95133	SL721181220	Open	0.442562
ABBOTT OIL	1020 BERRYESSA RD SAN JOSE, CA 95133	T0608500093	Open	0.474892

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CHEVRON San Jose Berryessa Fuel Terminal #1001272	1020 BERRYESSA ROAD SAN JOSE, CA 95133	SL374291196	Open	0.474892

[X] [ ] California Solid Waste Landfill Sites (SWIS) List - 1/2 mile

Listed Site Name	Address	Case No.	Status	Distance (miles)
Beck`s Property and Tree Service	1055 Cimmerical Court, Lot E, San Jose	43-AN-0029	Open	0.166998

[ ] [X] California Leaking Underground Storage Tank (LUST) List (see Status explanation below) - 1/4 mile

WHAT THIS MEANS: LUST STATUS: LUST sites are also known as LUFT, or Leaking Underground Fuel Tank, sites; we use the term LUST to be consistent with the State's current terminology. All of the Sites listed on the State's Leaking Underground Storage Tank Information System (LUSTIS) have been identified to have had a leaking storage tank. Many of LUST Sites have been cleaned up and the cases "Closed", and this is noted above if it is the case. Parties should be aware that LUST sites remain in the LUSTIS database even after they have been closed, and are included in this report if found by our search. Leaking underground storage tanks are the most common type of contamination. Storage tank leaks are often less extensive than other types of contamination releases and usually do not extend beyond the real property on which the tank is located.

For more information about such sites, please contact the State Water Resources Control Board, Leaking Underground Storage Information System, (916) 341-5740 or (916) 341-5700.

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SITES MISSING KEY LOCATION INFORMATION

A limited number of listed Sites contain address information that is inaccurate, incorrect, or is missing key information necessary to locate the site with confidence using the geocoding methods used in this report. These Sites are reported in the generalized list below for review based on their possible existence in proximity to the Residential Property site. Sites in this section are not necessarily within a one mile search radius of the Residential Property. This list is provided for general information only.

Open = Site listed as undergoing clean-up, investigation, or referral to another agency; or as non-active, abandoned or absorbed but not closed or completed.
Closed = Site listed as clean-up completed, release secured, no further remedial action planned, case closed, or delisted.
Active (or **Inactive) =** Site facility listed as actively (or not actively) engaged in a type of activity regulated under RCRA.
N/A = Not Applicable – site listed as uncontaminated, or as using or storing hazardous substances.
N/P = Not Provided – site status not supplied on agency list used.

Site Name	Address	Case No	Status	Database
AMERICAN CAN PACKAGING INC	1598 S FIRST ST, SAN JOSE, CA95110	CAD990768871	Active	FED_RCRA_COR
ANACOMP INC	305 SOQUEL WY AND, 307 N PASTORIA AVE TSDF PT SUNNYVALE, CA94086	CAD051612802	Inactive	FED_RCRA_COR
HITACHI GLOBAL STORAGE TECHNOLOGIES INC	5601 GREAT OAKS PKWY, SAN JOSE, CA95119	CAR000128793	Active	FED_RCRA_COR
IBM CORPORATION	5601 GREAT OAKS PKWY, GRS SAN JOSE, CA95119	CAD990843989	Active	FED_RCRA_COR
STANFORD UNIV-613A1	NEAR CORNER, CAMPUS DR/PANAMA, STANFORD, CA94305	CAD009214214	Active	FED_RCRA_COR
MOFFETT FEDERAL AIRFIELD, OU-1	2,200 ACRES; 35MI S OF SAN FRANCISCO, CA MOUNTAIN VIEW, CA 94035	43450001	Open	CA_DTSC_RESPONSE
MOFFETT FEDERAL AIRFIELD, OU-2	2,200 ACRES; 35MI S OF SAN FRANCISCO, CA MOUNTAIN VIEW, CA 94089	43450003	Open	CA_DTSC_RESPONSE
MOFFETT FEDERAL AIRFIELD, OU-4	2,200 ACRES; 35MI S OF SAN FRANCISCO, CA MOUNTAIN VIEW, CA 94089	43450007	Open	CA_DTSC_RESPONSE
MOFFETT FEDERAL AIRFIELD, OU-5	2,200 ACRES; 35MI S OF SAN FRANCISCO, CA MOUNTAIN VIEW, CA 94089	43450005	Open	CA_DTSC_RESPONSE
PG&E - MGP - GILROY 1	MONTEREY/6TH/OLD GILROY GILROY, CA 95020	43490064	Open	CA_DTSC_RESPONSE
CENTRAL EXPRESSWAY AT OAKMEAD VILLAGE DR	CENTRAL EXPRESSWAY SANTA CLARA, CA	SL0608535818	Open	CA_SLIC
CINNABAR COMMONS	421, 425 && 435 STOCKTON ST SAN JOSE, CA	SL0608552906	Closed	CA_SLIC
CIVIC CENTER PARKING GARAGE	EAST SANTA CLARA STREET SAN JOSE, CA	SL0608588520	Closed	CA_SLIC
GUADALUPE RIVER PROJ PO 12489	I-880/I-280 SAN JOSE, CA	SL18260681	Open	CA_SLIC
LAS PLUMAS WAREHOUSE	1608 PLUMAS AVE SAN JOSE, CA 95121	T0608591743	Open	CA_SLIC
MARIAN JOHNSON	59 SUTUM ST S SAN JOSE, CA 95113	T0608591644	Open	CA_SLIC
MOITOZO PROPERTY	NONE BAYPOINTE DRIVE SAN JOSE, CA	SLT2O276167	Closed	CA_SLIC

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MONTEREY MUSHROOM FACILITY	642 HALE AVE MORGAN HILL, CA	SL608592518	Open	CA_SLIC
QUANTIC INDUSTRIES	MARSH RD && CALAVERAS CREEK MILPITAS, CA	SL18240661	Open	CA_SLIC
REDEVELOPMENT BLOCK 4	UNKNOWN PARCELS 2 && 3 SAN JOSE, CA 95113	T0608591637	Open	CA_SLIC
SAN JOSE ARENA	UNKNOWN UKNOWN SAN JOSE, CA 95113	T0608591656	Closed	CA_SLIC
SANTA CLARA COUNTY VEHICLE GARAGE	UNKNOWN SAN PEDRO && YOUNGER ST SAN JOSE, CA 95113	T0608591669	Closed	CA_SLIC
SANTA CLARA UNIVERSITY	UNKNOWN UNKNOWN SANTA CLARA, CA 95050	T0608591722	Open	CA_SLIC
Shell (Equilon) San Jose Terminal	2165 O'Toole Ave San Jose, CA	SL374261193	Open	CA_SLIC
SJ AIRPORT TERMINAL A	UNKNOWN UNKNOWN SAN JOSE, CA 95113	T0608591655	Closed	CA_SLIC
SMITH PROPERTIES	1545-1547 ALMADEN AVE SAN JOSE, CA	SL18241662	Open	CA_SLIC
SPIEKER PARTNERS	UNKNOWN CENTRAL EXPWY && SCOTT BLVD SANTA CLARA, CA 95050	T0608591627	Closed	CA_SLIC
ULISTAC NATURAL AREA	NONE SANTA CLARA, CA	SL0608513780	Open	CA_SLIC
BFI`s Recyclery	1601 Dixon Landing Road, San Jose	43-AN-0014	Open	CA_SWIS
Marshland Solid Waste Facility	Nw Hwy 237 And Gold Street Alviso, San Jose	43-AN-0004	Closed	CA_SWIS

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OIL & GAS WELL LOCATIONS WITHIN 1/4 MILE OF THE RESIDENTIAL PROPERTY

No oil or gas well locations were identified within a radius of one-fourth (1/4) of one (1) mile of the Residential Property, based on a search of valid geographic coordinates contained in the current Statewide Well Location Database maintained by the California Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR) ("Well Location Database"). Buyer is advised that additional wells may exist in the area of the Residential Property which are not contained in the Well Location Database. Wells that do not have valid geographic coordinates in the Well Location Database are not disclosed in this Report. The physical property boundaries of well locations and the Residential Property are not factored into the calculation of the specified search radius.

EXPLANATION: The Well Location Database includes 193,000+ well location records. Approximately ninety-five percent (95%) of these records include a complete latitude and longitude geocode (geographic coordinates) making the well locatable. The remaining Well Location Database records lack a valid geocode and are, therefore, not locatable sufficient to allow a property-specific determination. This database is searched for well locations within one-fourth (1/4) of one (1) mile around the geocoded point representing the Residential Property. Well locations, if any, within the specified parameters are listed in the table above.

Of the 193,000+ wells identified in the Well Location Database, approximately 88,000 are still in use. The remaining wells (1) are used intermittently ("idle" wells), (2) have been sealed ("abandoned" or "plugged and abandoned") under the supervision of the DOGGR, or (3) have been deserted and have no known responsible operator (referred to as "orphan" wells).

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

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

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

FOR MORE INFORMATION: Ownership information of oil, gas, mineral, geothermal and other subsurface rights regarding the Residential Property may be disclosed in a preliminary (title) report or title commitment. The DOGGR does not use the County Assessor Parcel Number or site address to locate wells or leases, and therefore, the APN and address cannot be used to determine if there is a well on a specific property. The only way to tell if there is a well on a property is to compare the property location with well locations on the appropriate DOGGR oilfield map (available online at http://www.consrv.ca.gov/dog/), or contact the DOGGR local district office at (916) 445-9686 for assistance. For detailed information about a specific well, reference the unique "API Number" that the DOGGR has assigned to it. The DOGGR website provides an online well search by API number at the following web page:
http://opi.consrv.ca.gov/opi/opi.dll

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EXPLANATION OF THE DATABASES USED IN THIS REPORT

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

1. NATIONAL PRIORITIES LIST ("NPL" - commonly called "Superfund" or "CERCLIS" site list) as of March 2010.
The National Priorities List is a U.S. Environmental Protection Agency ("USEPA") database which includes Sites where known releases or threatened releases of hazardous substances, pollutants, or contaminants have occurred. As a part of the Superfund cleanup program, the NPL helps the USEPA determine which Sites warrant further investigation to assess human health and environmental risks, identify what remedial actions may be appropriate, notify the public of Sites believed to warrant further investigation, and serve notice to potentially responsible parties that the USEPA may initiate remedial action. Some NPL Sites encompass relatively large areas. **Search Distance: one (1.0) mile. Responsible Agency: USEPA**

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

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

2. RESOURCE CONSERVATION & RECOVERY ACT--CORRECTIVE ACTION list ("RCRA-COR") as of March 2010.
RCRA (pronounced "ric-ra") is a federal law enforced by the U.S. Environmental Protection Agency ("USEPA") that requires safeguards on the use and disposal of household, municipal, commercial and industrial refuse. The goals of the law are to protect human health and the environment from the potential hazards of waste disposal, to reduce the amount of waste generated, and to ensure that wastes are managed in an environmentally sound manner. Under the Corrective Action program, the USEPA permits and monitors the cleanup of hazardous waste contamination. **Search Distance: one (1.0) mile. Responsible Agency: USEPA**

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

For More Information: Contact the Environmental Protection Agency at **(800) 424-9346** to speak with a consultant to request information from the individual Site Fact Sheet. The USEPA's official Internet website address is:
www.epa.gov/superfund/Sites/npl/ca.htm

3. CALIFORNIA ENVIROSTOR STATE RESPONSE list as of March 2010.
The State Response list, a part of California's "Envirostor" database, identifies sites of confirmed hazardous materials releases where the Department of Toxic Substances Control ("DTSC") is involved in cleanup activities, either in a lead or oversight capacity. These confirmed release sites are generally high-priority and high potential risk, according to the DTSC. The State Response list includes the sites formerly contained in the "Active Annual Workplan (AWP)" list. **Search Distance: 1/2 mile. Responsible Agency: State EPA/DTSC**

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

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

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4. SPILLS, LEAKS, INVESTIGATION & CLEANUP list ("SLIC") as of March 2010.
The California SLIC Program oversees soil and water investigations, corrective actions, and assessments at Sites with current or historic unauthorized discharges and covers all types of pollutants (such as solvents, petroleum fuels, heavy metals, pesticides, etc.). As of January 1, 2005, all SLIC data is required to be submitted to the Geotracker database of the State Water Resources Control Board ("SWRCB"). Information on individual Sites may be available online at www.geotracker.waterboards.ca.gov . Please note that according to the SWRCB, "data is undergoing data cleanup and may contain errors". **Search Distance: 1/2 mile. Responsible Agency: SWRCB**

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

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

5. SOLID WASTE INFORMATION SYSTEM list ("SWIS") as of March 2010.
Solid waste landfill sites vary from state to state and may include active landfills, inactive landfills, incinerators, transfer stations, recycling facilities, and other facilities where solid waste is treated or stored. The California Integrated Waste Management Board ("CIWMB") tracks such Sites via its Solid Waste Information System database. SWIS contains information on facility type, regulatory and operational status, type of wastes received, and local enforcement actions. Please note that *these Sites are simply regulated facilities and are not classified as being "contaminated"* by the Board. **Search Distance: 1/2 mile. Responsible Agency: CIWMB**

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

For More Information: Contact the Board's "Solid Waste Information Center" at (916) 341 6320 and ask for the Associate Waste Management Specialist who should be able to answer some limited general questions. For more information, please contact the CIWMB in Sacramento or visit www.ciwmb.CA.Gov/Swis/search.asp#DOWNLOAD on the Internet.

6. LEAKING UNDERGROUND STORAGE TANK list ("LUST") per GEIMS/GeoTracker Information Management System as of March 2010.
The LUST database is also known as the "LUFT" database because it includes records of leaking underground fuel tanks. LUSTs may be a significant source of soil and groundwater contamination. The State Water Resources Control Board ("SWRCB") maintains a database of LUSTs known as the Leaking Underground Storage Tank Information System ("LUSTIS") which was recently supplanted by the statewide GEIMS/GeoTracker information management system. LUSTIS contains the locations of all reported LUSTs, as well as the contents and status of the LUSTs. **Search Distance: 1/4 mile. Responsible Agency: SWRCB**

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

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

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7. CALIFORNIA STATEWIDE WELL LOCATION DATABASE as of March 2010.
The California Division of Oil, Gas, and Geothermal Resources, California Department of Conservation ("DOC"), maintains a database of oil, gas and geothermal wells in the state. The database includes 193,000+ wells, of which about 88,000 are still in use. The remaining wells (1) are used intermittently ("idle" wells), (2) have been sealed ("abandoned" or "plugged and abandoned") under the supervision of the DOC's Division of Oil, Gas and Geothermal Resources, or (3) have been deserted and have no known responsible operator (referred to as "orphan" wells). **Search Distance: 1/4 mile. Responsible Agency: State Department of Conservation**

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

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

WANT MORE INFORMATION?

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

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

How to Obtain Generalized Environmental Information

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

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

BACKGROUND ABOUT ENVIRONMENTAL HAZARDS

JCP-LGS provides a consumer guide titled, "Guide to Environmental Hazards", as a supplement to this EnviroCheck report. This "plain-English" supplement discusses and explains environmental hazards and what they mean for residential property transactions. The guide may be freely downloaded (as a PDF document) and printed from our website at the following address:
http://www.fanhd.com/Portals/0/fanhd/pdf/JCP-LGS_Guide_to_Environmental_Hazards.pdf

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METHODS AND LIMITATIONS -- PLEASE READ!

As in all studies and reports, there are limitations in this Report. This Part will summarize (a) the methods used in creating this Report, (b) the limitations with respect to the data and the government site lists ("Databases"), and (c) the responsibilities and liabilities of JCP-LGS under this Report. Please read this Part carefully so you understand the limitations on this Report and JCP-LGS's responsibilities.

A. Limitations On Database Information

JCP-LGS has accurately reported the information in the Databases as of the Database Dates. With respect to the Databases, it is important to understand that:

- The Databases may not be accurate, current, fully detailed, or complete.
- A parcel of real property may be affected by contamination or environmental hazards that have not been identified on any of the Databases.
- A Database may not contain sufficient information to locate a particular parcel of property.
- Changes may have occurred in the Databases since the Database Date specified above.
- There may be other governmental databases with relevant information which are not included in this Report.

B. JCP-LGS Does Not Constantly Check Databases For Changes

Each Database used in this Report is updated by the Responsible Agency at various intervals. Updates for a Database are determined by the Responsible Agency and may be made at any time and without notice. JCP-LGS maintains an update schedule and makes reasonable efforts to use updated information but it cannot feasibly do so on a constant basis, and the complexities of obtaining and adapting the data into a usable format for preparing this Report necessitates some delay once the updated information is obtained. For these reasons, JCP-LGS reports information as of the date when the Database was last updated by JCP-LGS. That date is specified as the "Database Date" for each Database in Part 4.

C. Limitations On How Sites Are Located And Reported

Due to the way information is reported in the Databases, the Sites identified are "POINT SOURCES" ONLY which means that the specific location of the Site is located based on the information in the Database and used as the beginning point for measuring the distance to the Residential Property. This Report does NOT use "AREAS" of potential environmental contamination, such as a contamination study area or a groundwater plume, even if the source of that study area or plume derives from a Site. In other words, this Report identifies a single point as the approximate source point for an environmental hazard identified on a Database, even if the hazard actually covers an expanded area.

In the Databases, the Sites are identified by their address. In this Report, the point location for a Site is based on that address, **not** on the actual location of a source of contamination on the Property. As a result, the location of any Site set forth in this Report may not be precisely the location of the source of contamination. Furthermore, some of the Databases may not have the complete address information for a Site so it can not be located at all.

The location of the Residential Property has been determined by cross-referencing the provided Assessor Parcel Number ("APN") against a vector parcel database in which the boundaries of the parcel corresponding to the given APN are represented as a georeferenced polygon. Sites that are mapped within the specified radii of this polygon will be reported. Furthermore, since Sites are located using a geographic information system, if the assessor parcel number or address of the Residential Property provided is inaccurate, the information provided in this Report will not be accurate.

In certain instances, Sites cannot be precisely located (or "geocoded") due to missing or inaccurate data in the Database. However, based on information available in the Databases, these Sites are locatable within zip codes. These Sites are referred to as "Unlocated Sites" and reported in the Part, "Sites Missing Key Location Information." That Part of the Report indicates such Unlocated Sites that are in the zip codes that are within a one (1) mile radius of the Residential Property.

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Unlocated Sites are not necessarily within a one mile radius of the Residential Property. These Sites are identified to alert the Parties to potential issues about which the Parties may desire to obtain further information.

For these reasons, Parties should seek additional information about the Sites listed, as described in the discussion of the relevant Database.

D. Limitations in this Report

JCP-LGS does not make any representations as to:

- The accuracy, validity or completeness of the Databases.
- The significance or extent of the contamination or remediation of any of the Sites identified in the Databases.
- The health hazards to humans or animals that may be associated with any of the substances that may exist at the Sites or how they may affect the Residential Property.
- The drinking water sources for the Residential Property.
- Any information in a Database after the Database Date for that Database.
- Any information regarding the Residential Property after the Report Date.

JCP-LGS does not perform a physical examination or any testing of the Residential Property or the Sites. This Report only provides information derived from the Databases in accordance with the Methods and Limitations. This Report should not be considered a substitute for an on-site environmental assessment. If additional information is desired, the Parties are encouraged to investigate other sources and to consult an environmental expert.

E. Only The Parties May Rely On This Report

This Report is valid, the Parties may rely on the Report, and a contract is formed with JCP-LGS, **only** upon receipt by JCP-LGS of payment of the full price of the Report.

This Report may be relied upon only by the Parties to the transaction for which it has been purchased. This Report cannot be relied upon (a) by any persons other than the Seller, the Buyer and their Agents, (b) for any other real property, or (c) for any future transactions involving the Residential Property. The price paid for the Report does not include any amounts for protection of such other parties.

F. Limitations On JCP-LGS's Liability

Given the limited nature of this Report, and the fact that JCP-LGS is reporting, not assuming liability, JCP-LGS is not responsible for:

- Any inaccuracies or incompleteness of the information in the Databases.
- Inaccurate address information provided for the Residential Property.
- Any other information not contained in the specified Databases.
- Any information which would be disclosed by a physical inspection of the Residential Property.
- Any information known by one of the Parties.
- Any changes to the information in the Databases after the Database Date.
- The health hazards to humans or animals that may be associated with any of the substances that may exist at the Sites or how they may affect the Residential Property.
- The costs of investigating or cleaning up any environmental hazards.

This Report is not an insurance policy and does not provide the same protections as an insurance policy. It does not obligate JCP-LGS to defend any Party against any claims, and JCP-LGS shall not have any duty to defend against any claims pursuant to California Civil Code § 2778 or otherwise. The price of this Report has not been based upon any responsibility for defense costs, nor for assumption of environmental risks. The premium for an insurance policy would be significantly greater than the cost of this Report. The Parties acknowledge that claims for damages beyond actual losses can significantly increase the costs of reports and make prompt resolution of claims more difficult. In order to induce JCP-LGS to provide this Report for

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the price charged, and to help streamline the process of resolving any disputes between the Parties and JCP-LGS, the Buyer, Seller and Agents agree that if there is a material error or omission in this Report:

- **The Party who suffers damages as a result of such error or omission shall be entitled at most to recover from JCP-LGS the actual proved damages measured by the difference in the fair market value of the Residential Property as of the Report Date, caused by the error or omission but not in excess of $100,000 Dollars ($100,000).**

- **JCP-LGS shall not be liable for indirect, consequential, or punitive damages (including, but not limited to, emotional distress or pain and suffering).**

JCP-LGS shall not be liable to a Party for any matters known to that Party or its Agent (including errors in this Report) and not disclosed in writing to both the other Parties and JCP-LGS prior to the Sale Date.

G. Seller And Seller's Agent's Responsibility of Full Disclosure

Sellers of real property and their Agents should always fully disclose all material facts regarding the real property which they are selling. Regardless of the information in this Report, if Seller or Seller's Agent has any actual knowledge of contamination, releases of hazardous materials or remediation activities potentially affecting the Residential Property, that information should be promptly disclosed in writing to the Buyer and the Buyer's Agent.

H. Other Agreements

This Report sets forth the complete, integrated agreement between JCP-LGS and the Parties. Evidence of prior or contemporaneous statements, representations, promises or agreements shall not be admissible to vary the terms of this written agreement. This agreement may not be changed or amended except by a written document signed by an authorized representative of JCP-LGS and the Parties.

In the event that any dispute arises between JCP-LGS and any Parties arising out of or relating to this Report or its subject matter, or any act or omission of JCP-LGS, the prevailing party shall be entitled to recover his, her or its reasonable costs, including attorneys' fees, from the losing party.

If any provision of this Report, or its application to any circumstance, is held to be invalid, unenforceable, or void, the remainder of this Report shall remain in full force and effect and enforced to the fullest extent possible.

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