Subject Property: 1234 MAIN ST
ANYCITY, CA 90094-2901
APN#: 1234-123-123

Ordered By: John Smith
The Escrow Company
(123) 123-1234

Bill To: John Smith
The Escrow Company
(123) 123-1234

Product Description | Billing Terms | Amount Owed
--- | --- | ---
Residential NHD Report | Check | $80.00

NATURAL HAZARD DISCLOSURE

This Natural Hazard Disclosure ("Report") complies with Civil Code Section 1103 et seq. The maps and data cited herein were reviewed using the assessor parcel number ("APN") and/or the physical address listed in this Report ("Property"). Not all publicly available data regarding the Property is included in this Report. No physical inspection of the Property has been performed. Therefore, GeoAssurance, Inc. ("GeoAssurance") recommends a Certified Engineering Geologist or Professional Engineer be consulted to address specific concerns about the Property. This Report was prepared in accordance with, and therefore subject to, all of the conditions and limitations stated in the Report including the "Terms and Conditions" contained therein. An explanation of each category of disclosure is included later in this Report. The terms "No Map" or "Not Mapped" indicate that a disclosure map is not available from the governmental agency relative to specific disclosure in this Report. GeoAssurance has relied upon the statutes identified and has reviewed the maps and records specifically required for disclosure pursuant to California law. This information is made available to the public so that determinations if and to what extent each statute applies to the Property can be made. Receipt/use of this Report by recipient or any third party constitutes acceptance of the Terms and Conditions detailed at the end of this Report. This Report is not a policy of insurance or a warranty. This Report is prepared by GeoAssurance to comply with California law relating to public record information in connection with the sale of residential real estate. Please read the Terms and Conditions carefully.

Please return bottom portion with payment.
Please do not staple check to stub.

Received from:
The Escrow Company

Make Checks Payable to:
GeoAssurance, Inc.
PO Box 241426
Los Angeles, CA 90024

REPORT NUMBER: 30741-100
Amount Due: $80.00
NATURAL HAZARD DISCLOSURE STATEMENT

NOTICE: This acknowledgement page does not represent the entire natural hazard disclosure report issued by GeoAssurance. Buyer acknowledges receipt of the entire NHD report and agrees to be bound by the terms and conditions thereof.

APN: 1234-123-123 ADDRESS: 1234 MAIN ST ANYCITY, CA 90094-2901

The transferor and his or her agent(s) or a third-party consultant 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 subject 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 and federal governments. This information is a disclosure and is not intended to be part of any contract between the transferee and 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 _______ No _______ Information is 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 _______ No _______ Information is 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 _______ Information is not available from local jurisdiction

A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS pursuant to Section 4125 of the Public Resources Code. The owner of this property is subject to the maintenance requirements of Section 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 _______ Information is not available from local jurisdiction

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

___ Yes _______ No _______ Information is not available from local jurisdiction

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

___ Yes (Landslide Zone) _______ No _______ Map is not yet released by state

___ Yes (Liquefaction Zone) _______ No _______ Map is 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 Seller(s) ____________________________ Date __________ Signature of Seller(s) ____________________________ Date __________

Signature of Agent(s) ____________________________ Date __________ Signature of Agent(s) ____________________________ Date __________

Check only one of the following:

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

TRANSFEROR(S) (SELLER(S)) AND THEIR AGENT(S) ACKNOWLEDGE THAT THEY HAVE EXERCISED GOOD FAITH IN THE SELECTION OF A THIRD-PARTY REPORT PROVIDER AS REQUIRED IN CIVIL CODE SECTION 1103.7, AND THAT THE REPRESENTATIONS MADE IN THIS NATURAL HAZARD DISCLOSURE STATEMENT ARE BASED UPON INFORMATION PROVIDED BY THE INDEPENDENT THIRD-PARTY DISCLOSURE PROVIDER AS A SUBSTITUTED DISCLOSURE PURSUANT TO CIVIL CODE SECTION 1103.4. NEITHER 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.

Transferee (Buyer) 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.

This statement was prepared by the following provider: Third-Party Disclosure Provider(s) GeoAssurance, Inc. Date 10/21/2019

There are other statutory disclosures, determinations and legal information in the Report. Refer to Report for these additional disclosures, determinations and legal information. With their signature below, Transferee(s) also acknowledge(s) they have received, read, and understand this document and the additional disclosures, determinations and legal information provided in this Report, in the tax disclosures (Mello-Roos and Special Assessments), in the Environmental Report (if ordered), and in the required notices and booklets/information regarding Environmental Hazards, Earthquake Safety, Home Energy Rating System, Lead-Based Paint and Mold, which booklets/information are available at http://GeoAssurance.com/booklets/combo_booklets_eng.pdf.

Signature of Buyer(s) ____________________________ Date __________ Signature of Buyer(s) ____________________________ Date __________
NATURAL HAZARD DISCLOSURE REPORT SUMMARY

Subject Property: 1234 MAIN ST ANYCITY, CA 90094-2901
APN: 1234-123-123

This property is located in/within:

<table>
<thead>
<tr>
<th>Details</th>
<th>Yes</th>
<th>No</th>
<th>Not Mapped</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Special Flood Hazard Area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>An Area of Potential Flooding Due to Dam Inundation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Very High Fire Hazard Severity Zone</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A State of California Fire Responsibility Area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>An Earthquake Fault Zone</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Landslide Seismic Hazard Zone</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Liquefaction Seismic Hazard Zone</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Mile of a Former Military Ordnance Site</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Mile of a Commercial/Industrial Use Zone</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Miles of FAA Approved Landing Facility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>An Airport Influence Area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tsunami Inundation Hazard</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right to Farm/Important Farmland</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Naturally Occurring Asbestos Area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Critical Habitats</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Mile of a Mining Operation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abandoned Mines</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Petrochemical Complex Area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Methane Gas Zone</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas and Hazardous Liquid Transmission Pipelines</td>
<td>Included</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City/County Hazard Disclosures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Mello-Roos Community Facility District</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Special Tax Assessment District</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Tax Breakdown/Tax Calculator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Supplemental Property Tax Bill/Transfer Tax Disclosure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Database Disclosure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Duct Sealing Requirements – 13 Seer</td>
<td>Included</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Energy Efficiency Standards/Tax Credit Advisory</td>
<td>Included</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Williamson Act</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mold Addendum</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Methamphetamine Contamination</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Abandoned Water Wells and Oil/Gas Wells</td>
<td>Included</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Naturally Occurring Asbestos / Radon Gas Advisory</td>
<td>Included</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Abandoned Mines Advisory</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wood-Burning Heater Advisory</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notice of Terms and Conditions</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This Report Summary merely summarizes the research results contained in this full GeoAssurance Report, and does not, in any way, reduce or eliminate the need to read the Report in its entirety. Please verify the street address and APN for accuracy.
EXPLANATIONS AND NOTICES

SPECIAL FLOOD HAZARD AREAS

**SUBJECT PROPERTY**  X IS **NOT** LOCATED IN A SPECIAL FLOOD HAZARD AREA

Special Flood Hazard Areas have been mapped by the Federal Emergency Management Agency (FEMA) on their Flood Rate Insurance maps. Special Flood Hazard Areas are located with the 100-year flood plain and are designated as either Zone A (Inland area) or Zone V (Coastal areas). Flood insurance is required by lenders for properties located within a Zone A or Zone V. FEMA periodically removes a property or a group of properties from a Special Flood Hazard Area based on information provided by cities, counties, or homeowners. The revised status of the property or properties is provided in a Letter of Map Amendment (LOMA) or in a Letter of Map Revision (LOMR). A search for a specific LOMA or LOMR is outside the scope of this report. Please visit www.fema.gov to search for a specific LOMA or LOMR.

Irrespective of the FEMA determination as to whether the subject property is located in a special flood hazard area, the subject property may be subject to limitations on development due to concerns over potential flooding. If there are concerns relative to the viability of potential development on the subject property an inquiry should be made with the local building and safety department.

AREAS OF POTENTIAL FLOODING FROM DAM FAILURES

**SUBJECT PROPERTY**  X IS **NOT** LOCATED IN A DAM INUNDATION ZONE

Maps have been prepared for most dams in the State of California that show the potential flooding areas due to dam failure. The maps are reviewed and approved by the California Office of Emergency Services. Local offices of emergency services have prepared evacuation plans in the areas affected by potential dam failure inundation.

**Dam Name(s):** Stone Canyon, Mulholland, Silver Lake, Lower Franklin

VERY HIGH FIRE HAZARD SEVERITY ZONES

**SUBJECT PROPERTY**  X IS **NOT** LOCATED IN A VERY HIGH FIRE SEVERITY ZONE

Very High Fire Hazard Severity Zones have been mapped by the California Department of Forestry and Fire Protection to indicate area with increase fire risk. The Map by the California Department of Forestry and Fire Protection (CDF), dated January 2006, does not reflect changes made at the local level. Therefore, the CDF recommends verifying status with the local fire department. Brush clearing and other fire defense improvements are required for properties located in Very High Fire Hazard Severity Zones. Please contact the local fire department for fire defense and maintenance requirements.

STATE OF CALIFORNIA FIRE RESPONSIBILITY AREA

**SUBJECT PROPERTY**  X IS **NOT** LOCATED IN A STATE FIRE RESPONSIBILITY AREA

Wildland areas that may contain substantial forest fire risk and hazards have been mapped by the California Department of Forestry and Fire Protection to indicate areas with increased fire risk. These areas are also known as State Fire Responsibility Areas because the State of California has primary responsibility for fire prevention and suppression. The State of California assesses a $150 annual wildfire protection fee for properties located in State Fire Responsibility Areas. In addition, the property owner may be responsible for structure protection and is responsible for brush clearing and other fire defense improvements. Please contact the county fire department for fire defense and maintenance requirements.

ALQUIST-PRIOLO EARTHQUAKE FAULT ZONES

**SUBJECT PROPERTY**  X IS **NOT** LOCATED IN AN ALQUIST-PRIOLO FAULT ZONE

The purpose of the Alquist-Priolo Earthquake Fault Zoning Act is to regulate development near active faults in order to mitigate hazards associated with ground rupture. The State Geologist through the California Geological Survey has provided maps that show specific zones around active faults. Development of a property located within an Earthquake Fault Zone will likely require a fault study by State-licensed geologist. The determination made in this report does not indicate whether or not an active fault is located on the subject property and is not a substitute for a fault study by a State Licensed geologist.
SEISMIC HAZARD ZONES

Subject Property □ IS □ IS NOT Located in a Landslide Hazard Zone □ Map not yet released by state

Subject Property □ IS □ IS NOT Located in a Liquefaction Hazard Zone □ Map not yet released by state

The purpose of the Seismic Hazards Mapping Act is to regulate development in areas determined to have increased risk of the seismic hazards of liquefaction and earthquake-induced landsliding. The California Geological Survey provides maps delineating liquefaction hazard zones and earthquake-induced landslide hazard zones. Although not all areas of the state have been mapped, the California Geological Survey is currently mapping additional areas. Liquefaction is a seismic hazard in which sediments below the water table lose strength as a result of strong earthquake ground shaking. Saturated soils comprised of sands and silts that are within 40 feet of the ground surface have a higher potential for liquefaction. Liquefaction is a rare, but real phenomenon that can result in damage to structures.

FORMER MILITARY ORDNANCE SITE DISCLOSURE

Subject Property □ IS □ IS NOT Within 1 mile of a known Former Military Ordnance Site

Military Ordnance sites are areas that were previously used for military training and that may contain unexploded munitions or other hazardous materials. Sites closed prior to 1989 are part of the Formerly Used Defense Sites database maintained by the United States Department of Defense. Current military bases or those closed after 1989 are not a part of the Formerly Used Defense Sites database.

COMMERCIAL/INDUSTRIAL DISCLOSURE

Subject Property □ IS □ IS NOT Located within 1 mile of a property zoned for commercial/industrial use

The disclosure regarding the Subject Property’s proximity to a zone or district allowing heavy commercial Industrial use zones is based upon currently available public records and excludes entirely agricultural properties. A physical inspection of the Subject Property has not been made. The calculation of the one-mile proximity measurement is based upon the distance between the Subject Property’s street address and the street address of the next closest property allowing heavy commercial Industrial use. This is an actual knowledge disclosure required by the seller on the Transfer Disclosure Statement. There could be other nuisances not covered by this commercial industrial zoning.

FAA APPROVED LANDING FACILITY

Subject Property □ IS □ IS NOT Located within 2 miles of an FAA approved landing facility

A search of data from the Federal Aviation Administration was made to determine if the property is located within two miles of a public/private FAA approved landing facility (i.e., an airport). Properties within proximity to airports/flight paths may experience airport noise and/or other nuisances. For more information please visit http://www.faa.gov/airports/environmental/airport_noise/.

<table>
<thead>
<tr>
<th>Airport Name(s)</th>
<th>Distance (in miles) from Subject Property</th>
</tr>
</thead>
<tbody>
<tr>
<td>HUGHES/CORPORATE - Private</td>
<td>0.43</td>
</tr>
<tr>
<td>LOS ANGELES INTERNATIONAL AIRPORT - Public</td>
<td>1.08</td>
</tr>
<tr>
<td>THE RITZ-CARLTON HOTEL COMPANY - Private</td>
<td>1.64</td>
</tr>
</tbody>
</table>

AIRPORT INFLUENCE AREA “AIA”

Subject Property □ IS □ IS NOT Located in an Airport Influence Area “AIA”

An Airport Influence Area is determined and mapped by the local Airport Land Use Commission. A property with an Airport Influence Area may be subject to annoyances and inconveniences associated with proximity to airport operations. Concerns about an Airport Influence Area should be addressed to the local Airport Land Use Commission. Inclusion of private and military airports vary by county and may or may not be included in this disclosure report.

TSUNAMI INUNDATION HAZARD

Subject Property □ IS □ IS NOT Located in a Tsunami Inundation Area

A tsunami is a sea wave typically generated by a submarine earthquake, but may be caused by an offshore landslide or volcanic action. A large offshore earthquake, typically a magnitude 7 or greater, may generate a tsunami. Properties located along the California coastline have a potential for inundation from a tsunami. Although early warning systems may provide sufficient warning from distant tsunamis, near-shore generated tsunamis may reach the coast in a matter of minutes. Therefore, homeowners should contact their local emergency management agency and become knowledgeable about tsunami warning signs and local evacuation plans.

© 2019 GeoAssurance, Inc. All Rights Reserved 888.806.1088 GeoAssurance.com
RIGHT TO FARM/IMPORTANT FARMLAND

SUBJECT PROPERTY ☑ IS ☑ IS NOT LOCATED WITHIN 1 MILE OF A FARM OR RANCH LAND

The search determines if the subject property is located within one mile of a property containing agricultural activity, operation or facility, or appurtenances thereof. These facilities may contain agricultural nuisances that may conflict with non-agricultural uses. Agricultural practices may include noise from farm equipment and machinery, dust, pesticides, and odors associated with animals, manure, and fertilizers.

NATURALLY OCCURRING ASBESTOS

SUBJECT PROPERTY ☑ IS ☑ IS NOT LOCATED WITHIN AN AREA OF NATURALLY OCCURRING ASBESTOS

Asbestos refers to naturally-occurring fibrous minerals found throughout the State of California. Serpentine, an ultra-mafic rock, contains asbestos and is commonly found in the Sierra foothills, the Coast Ranges, and the Klamath Mountains. On residential properties, naturally-occurring asbestos sources are typically dust from unpaved roads or driveways. Paving the unpaved driveways or roads can help to reduce exposure to asbestos. For more information please visit the Air Resources Board of the California Environmental Protection Agency website: http://www.arb.ca.gov/homepage.htm.

CRITICAL HABITATS

SUBJECT PROPERTY ☑ IS ☑ IS NOT LOCATED WITHIN AN AREA OF CRITICAL HABITATS

The Endangered Species Act establishes critical habitats for any species listed under the Act. A critical habitat is defined as a specific area within the geographical area occupied by the species at the time of listing, if the area contains physical or biological features essential to conservation. Those features may require special management considerations or protection even in areas outside their geographical area if the agency determines the area itself essential for conservation.

MINING OPERATION

SUBJECT PROPERTY ☑ IS ☑ IS NOT LOCATED WITHIN 1 MILE OF A MINING OPERATION

If the property is located within one mile of a mine operation for which the mine owner or operator has reported mine location data to the Department of Conservation pursuant to Section 2207 of the Public Resources Code, the property may be subject to inconveniences resulting from mining operations. The impacts of these practices should be considered when such mining operations are present within one mile of the property.

Effective January 1, 2012 Senate Bill 110 amends Section 1103.4 of the Civil Code and requires disclosure if the subject property is within one mile of a mining operation. The widespread degradation of land and water resources caused by strip mining and the failure of the states to effectively regulate the industry resulted in the passage of the Surface Mining Control and Reclamation Act (“SMCRA”) of 1977. The Office of Surface Mining (“OSM”) was created in 1977 when Congress enacted the SMCRA Act. OSM works with the states and Indian Tribes to assure that citizens and the environment are protected during coal mining and that the land is restored to beneficial use when mining is finished. OSM and its partners are also responsible for reclaiming and restoring lands and water degraded by mining operations before 1977. For more information, please visit http://www.conservation.ca.gov/omr/Pages/Index.aspx.
ABANDONED MINES

SUBJECT PROPERTY IS NOT LOCATED WITHIN 1 MILE OF AN ABANDONED MINE

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 a massive problem as to earn a spot on the Federal Superfund Environmental Hazard list. The Abandoned Mine Lands Unit (AMLU) was created in 1997 to prepare a report to the governor and legislature on the “magnitude and scope” of the abandoned mine lands issue in California. An inventory of abandoned mines was accomplished, culminating in a report to the Governor and Legislature. Prior to that effort, the number of abandoned mines reported was based solely on legacy databases and ranged from a low of 7,000 to a high of 20,000 abandoned mines. AMLU estimates of the number of abandoned mines in California include the following:

- Approximately 165,000 mine features on more than 47,000 abandoned mine sites exist statewide.
- More than 39,400 abandoned mines (84 percent of 47,000 sites) present physical safety hazards, and approximately 5,200 (11 percent) present environmental hazards.
- More than 62,000 abandoned mine features (38 percent of 165,000 features) are hazardous openings.
- Federal lands contain approximately 67 percent of the abandoned mines in the State (primarily on Bureau of Land Management, National Park Service, and U.S. Forest Service property). Approximately 31 percent are on private lands, and about 2 percent are on State or local lands. 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." Parties with concerns about the existence or impact of abandoned mines in the vicinity of the property are advised to contact the State Office of Mine Reclamation at: [http://www.conservation.ca.gov/OMR](http://www.conservation.ca.gov/OMR) and/or the local Engineering, Planning or Building Departments in the county where the property is located. Known Abandoned Mine sites within 1 mile of the Property are listed below:
Petrochemical complex areas may contain gas, oil, or other volatile materials from oil refineries or other oil production sites. Petrochemical complex areas have a higher potential from fires after earthquakes due to pipe line rupture.

Methane Gas Area (MethaneGas) - (Note - for LA and Orange County Only)

Methane is a colorless, odorless gas with a wide distribution in nature, often occurring naturally as a part of natural gas in areas containing petroleum deposits. Properties located in a methane area may also be in proximity to other methane gas sources such as landfills, oil wells, oil fields, and underground gas storage facilities. Although natural methane gas is relatively harmless, high concentrations of it can be hazardous due to its highly combustible chemical composition, as well as its ability to displace oxygen. Migration of the gas into areas containing impermeable surfaces (i.e. concrete, pavement, basements, etc.) can trap the gas, resulting in the accumulation of high concentrations. Information available is based on data from the California Division of Oil, Gas and Geothermal Resources. Properties located in a methane zone may be required to undergo testing and mitigation requirements, and additional report requirements. If the property is found to be in a methane zone, GeoAssurance, Inc. recommends that the buyer contact the local Building and Safety Department or other applicable department to ascertain what previous measures might have been taken to properly vent the area and what considerations might apply regarding building permits or renovations.

For more information please see the following:

Los Angeles County

City of Los Angeles
https://www.ladbs.org/services/core-services/plan-check-permit/methane-mitigation-standards

City of Huntington Beach

NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES

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

Upon delivery of the notice to the transferee of the real property, the seller or broker is not required to provide information in addition to that contained in the notice regarding gas and hazardous liquid transmission pipelines. The information in the notice shall be deemed to be adequate to inform the transferee about the existence of a statewide database of the locations of gas and hazardous liquid transmission pipelines and information from the database regarding those locations.

Nothing in this section shall alter any existing duty under any other statute or decisional law imposed upon the seller or broker, including, but not limited to, the duties of a seller or broker under this article, or the duties of a seller or broker under Article 1.5 (commencing with Section 1102) of Chapter 2 of Title 4 of Part 4 of Division 2.
CITY/COUNTY HAZARD DISCLOSURE EXPLANATIONS

GeoAssurance provides information on locally identified natural hazards as an additional service because their disclosure to purchasers is either required by ordinance or the information is available on maps publicly available from various City and County sources. This service also supplements and completes the natural hazard information required by the California Civil Code 1103.

The Subject Property:

☐ IS  X IS NOT Located in a Supplemental Flood Hazard Zone.

☐ NOT MAPPED

☐ IS  X IS NOT Located in a Supplemental Fire Hazard Zone.

☐ NOT MAPPED

☐ IS  X IS NOT Located in a Supplemental Earthquake Fault Hazard Zone.

☐ NOT MAPPED

☐ IS  X IS NOT Located in a Supplemental Seismic Geologic Hazard Zone.

☐ NOT MAPPED

Flood Hazard Zones

Supplemental flood zones include information not covered by Special Flood Hazard Areas as designated by the Federal Emergency Management Agency or by Dam Inundation zones as reported by the California State Office of Emergency Services. These can include tsunamis, runoff hazards, historical flood data and additional dike failure hazards.

Fire Hazard Zones

Local agencies may, at their discretion, include or exclude certain areas from the requirements of California Government Code Section 51182 (imposition of fire prevention measures on property owners), following a finding supported by substantial evidence in the record that the requirements of Section 51182 either are, or are not necessary for effective fire protection within the area. Any additions to these maps that GeoAssurance has been able to identify and substantiate are included in this Report.

Earthquake Fault Hazard Zones

Many local jurisdictions have different or higher standards than the State of California for the identification of active earthquake fault zones. These jurisdictions have created their own maps which indicate the active faults according to these alternate standards. Some jurisdictions also recommend or require the disclosures of potentially active faults. GeoAssurance has attempted to include all official and publicly available maps indicating earthquake faults identified by these jurisdictions.

Seismic/Geologic Hazard Zones

The California Division of Mines and Geology ("DMG") has not completed the project assigned it by Section 2696 of the California Public Resources Code to identify areas of potential seismic hazards within the State of California. The DMG and the United States Geological Survey have performed many valuable studies that supplement the Section 2696 maps and fill many missing areas. These maps were reviewed in the preparation of this Report. Also included in this Report is the review of maps that indicate many hazards that may or may not be seismically related, including, but not limited to, landslides, debris flows, mudslides, coastal cliff instability, volcanic hazards, and avalanches. Many cities and counties require geologic studies before any significant construction if the subject property is in or near a geologic hazard known to them. GeoAssurance has attempted to include all official and publicly available maps indicating geologic hazards identified by these jurisdictions.
MELLO-ROOS COMMUNITY FACILITIES DISTRICT(S)

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

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

This property is within the Mello-Roos CFD(s) listed below and is subject to a special tax that will appear on the property tax bill. This special tax is in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. This special tax may not be imposed on all parcels within the city or county where the property is located. This special tax is used to provide public facilities or services that are likely to particularly benefit the property.

The maximum tax rate, the maximum tax rate escalator, and the authorized facilities which are being paid for by the special taxes and by the money received from the sale of bonds which are being repaid by the special taxes, and any authorized services are indicated below. These facilities may not yet have all been constructed or acquired and it is possible that some may never be constructed or acquired.

1. Community Facilities District No. 4 - City of Los Angeles - (213) 485-5705

Current Levy:  $2,548.32  Maximum Tax Rate:  $3,802.28

Ending Year:  2049-2050

Maximum Tax Rate Escalator:  The Maximum Tax Rate Amount will increase by 2.00% per year, commencing July 1, 2000. per year.

Authorized Facilities:  Proceeds from the sale of Bonds and the special taxes collected will be used to finance street and traffic improvements, improvements along the Ballona Channel, a fire station, parks and landscaping, utility, storm drain and similar relocations and undergrounding, water system improvements and interconnections, sanitary sewer improvements, and electrical distribution and transmission system facilities.

Authorized Services:  None
1915 BOND ACT ASSESSMENT DISTRICT(S)

SUBJECT PROPERTY ☒ IS ☐ IS NOT SUBJECT TO IMPROVEMENT BOND ACT OF 1915 SPECIAL ASSESSMENTS LIEN(S).

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

This property is within the 1915 Bond Act Assessment District(s) named below and is subject to annual assessment installments levied by the assessment district that will appear on the property tax bill. The annual assessments are in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. The assessment district(s) has issued bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within the assessment district. The bonds will be repaid from annual assessment installments on property within the assessment district. The special assessment is used to provide public facilities that are likely to particularly benefit the property.

The annual assessment installment and public facilities that are being paid for by the money received from the sale of bonds that are being repaid by the assessments are indicated below. These facilities may not yet have all been constructed or acquired and it is possible that some may never be constructed or acquired.

1. Regional Park & Open Space District - Los Angeles County Regional Park and Open Space District - (213) 738-2983

 Current Levy: $5.30
 Ending Year: 2019

 Authorized Facilities: Proceeds from the sales of these bonds will be used for the acquisition, development, rehabilitation, protection and restoration of beach, wildlife, park and natural lands with the County, tree-planting, gang prevention and intervention, improvement of recreation facilities for youth and senior citizens, restoration and maintenance of parks, recreational, cultural and community facilities and open space lands within the County of Los Angeles.

 Authorized Services: Proceeds from the sale of these bonds cannot be used to pay for any ongoing maintenance or services.
BREAKDOWN OF THE 2018-2019 PROPERTY TAX BILL

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

### Basic Prop 13 Levy

<table>
<thead>
<tr>
<th>Description</th>
<th>Ad Valorem Tax</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined Ad Valorem Tax Charges</td>
<td>Ad Valorem Tax General</td>
<td>$6,713.77</td>
</tr>
</tbody>
</table>

**Basic Prop 13 Levy & Voter Approved Ad Valorem Taxes:** $6,713.77

**Estimated Tax Rate:** 1.196045%

### Direct Assessments

<table>
<thead>
<tr>
<th>Description</th>
<th>District Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Facilities District No. 4</td>
<td>Mello-Roos Community Facilities District</td>
<td>$2,548.32</td>
</tr>
<tr>
<td>City of Los Angeles (213) 978-1099</td>
<td>Public Facilities</td>
<td></td>
</tr>
<tr>
<td>Los Angeles County Trauma and Emergency Services</td>
<td>Police, Fire or Emergency Medical Services</td>
<td>$54.69</td>
</tr>
<tr>
<td>County of Los Angeles (866) 587-2862</td>
<td>Health</td>
<td></td>
</tr>
<tr>
<td>Street Lighting Maintenance District No. 218</td>
<td>Landscaping &amp; Lighting Maintenance District</td>
<td>$26.72</td>
</tr>
<tr>
<td>City of Los Angeles (213) 847-1821</td>
<td>Landscape and Lighting</td>
<td></td>
</tr>
<tr>
<td>Special Tax (Measure A)</td>
<td>2/3 Voter Approved Special Tax</td>
<td>$19.35</td>
</tr>
<tr>
<td>Los Angeles County Regional Park and Open Space District (213) 738-2985</td>
<td>Park and Recreation Maintenance</td>
<td></td>
</tr>
<tr>
<td>Standby Charge</td>
<td>Standby Charge</td>
<td>$16.00</td>
</tr>
<tr>
<td>Metropolitan Water District of Southern California (213) 217-7517</td>
<td>Water Availability</td>
<td></td>
</tr>
<tr>
<td>Landscape and Lighting District No. 96-1</td>
<td>Landscaping &amp; Lighting Maintenance District</td>
<td>$13.92</td>
</tr>
<tr>
<td>City of Los Angeles (213) 847-1821</td>
<td>Landscape and Lighting</td>
<td></td>
</tr>
<tr>
<td>Mosquito Abatement District (Los Angeles)</td>
<td>Vector Control District</td>
<td>$10.81</td>
</tr>
<tr>
<td>County of Los Angeles (310) 915-7370</td>
<td>Vector Control</td>
<td></td>
</tr>
<tr>
<td>Flood Control</td>
<td>1982 Act Benefit Assessment District</td>
<td>$7.35</td>
</tr>
<tr>
<td>County of Los Angeles (626) 458-5165</td>
<td>Flood Control</td>
<td></td>
</tr>
<tr>
<td>Stormwater Pollution Abatement</td>
<td>Sewer or Water Charge</td>
<td>$5.86</td>
</tr>
<tr>
<td>City of Los Angeles (213) 847-5224</td>
<td>Stormwater</td>
<td></td>
</tr>
<tr>
<td>Regional Park and Open Space District</td>
<td>1915 Bond Act Assessment District</td>
<td>$5.30</td>
</tr>
<tr>
<td>Los Angeles County Regional Park and Open Space District (213) 738-2983</td>
<td>Parks and Recreation</td>
<td></td>
</tr>
</tbody>
</table>

**Total Direct Assessment Charges:** $2,708.32

**Total 2018-2019 Amount:** $9,422.09
THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

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

Instantly calculate estimated property taxes and supplemental taxes on our website: (or manually calculate below).

Instant Tax Calculator: [http://www.geoassurance.com/suptax/calculator/436425/cf03714d6d8b49d07a993f1408a3cebb](http://www.geoassurance.com/suptax/calculator/436425/cf03714d6d8b49d07a993f1408a3cebb)

**SUPPLEMENTAL TAX CALCULATOR (ESTIMATE ONLY)**

1. Estimated Sales Price ............................................................................................................................................................................ $ 
2. Estimated Current Assessed Value ............................................................................................................................................................................ $ 561,331.00 
3. Subtract line #2 from line #1. Estimated Supplemental Assessed Value ............................................................................................................ $ 
4. Ad Valorem Tax Rate ............................................................................................................................................................................................ 1.20 
5. Multiply line #3 by line #4. Estimated Supplemental Tax Amount Obligation ................................................................................................ $ 

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

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

6. Enter Proration Month Factor (See TABLE 1. below)............................................................................................................................. 

7. Multiply line #5 by line #6. Estimated Supplemental Tax Bill #1 ............................................................................................................ $ 
8. Enter the amount from line #5. Estimated Supplemental Tax Bill #2 ............................................................................................................ $ 
9. Add lines #7 and line #8. Total Estimated Supplemental Tax Bill ............................................................................................................ $ 

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

10. Enter Proration Month Factor (See TABLE 2. below)............................................................................................................................ 
11. Multiply line #5 by line #10. Total Estimated Supplemental Tax Bill ............................................................................................................ $ 

**TABLE 1.**

<table>
<thead>
<tr>
<th>January</th>
<th>0.4167</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>0.3333</td>
</tr>
<tr>
<td>March</td>
<td>0.2500</td>
</tr>
<tr>
<td>April</td>
<td>0.1667</td>
</tr>
<tr>
<td>May</td>
<td>0.0833</td>
</tr>
</tbody>
</table>

**TABLE 2.**

<table>
<thead>
<tr>
<th>June</th>
<th>1.0000</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>0.9167</td>
</tr>
<tr>
<td>August</td>
<td>0.8333</td>
</tr>
<tr>
<td>September</td>
<td>0.7500</td>
</tr>
<tr>
<td>October</td>
<td>0.6667</td>
</tr>
<tr>
<td>November</td>
<td>0.5833</td>
</tr>
<tr>
<td>December</td>
<td>0.5000</td>
</tr>
</tbody>
</table>

Real Property Taxes in California are influenced by several factors, including but not limited to the reassessment rules pursuant to Proposition 13, appraisal values, and bonds. As such, this calculator is not intended to provide a representation of the actual tax amounts that will be assessed. This information is provided for informational and planning purposes only, and should not be relied upon to make a determination regarding acquisition of a property. This calculator does not account for supplemental taxes that may be due as a result of the sale of a property or construction at a property which could result pursuant to Proposition 13. GeoAssurance, Inc. makes no representation regarding the actual amount of tax that will be assessed on any particular property. For specific questions or actual tax calculations, please call the tax assessor’s office for the county in which the subject property is located.
NOTICE OF SUPPLEMENTAL PROPERTY TAX BILL

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

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

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

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

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

MANDATORY PRIVATE TRANSFER FEE DISCLOSURE PURSUANT TO CIVIL CODE SECTION 1102.6E

A “Private Transfer Fee” is a fee imposed by a private entity such as a property developer, home builder, or homeowner association, when a property within a certain type of subdivision is sold or transferred. A Private Transfer Fee may also be imposed by an individual property owner. Private Transfer Fees are different from and are charged in addition to any Documentary Transfer Taxes levied by a City or County Government upon sale or transfer of a property.

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

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

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

Content of Disclosure: Civil Code Section 1102.6e requires the Seller to disclose specific information about any Transfer Fee that may affect the property. Please refer to the Section 1102.6e or the California Association of Realtors Notice of Private Transfer Fee Form, for a standard format to use in making the Transfer Fee Disclosure if such a disclosure is required.
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.

Documentary Transfer Taxes

This is a government tax imposed by a City or County when a property within the jurisdiction is sold or transferred. It is NOT the same as a Private Transfer Fee, which may be imposed by a private entity such as a property developer, home builder, or homeowner association. However, it is a similar fee due upon closing, calculated based on a percentage of the purchase price.

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

How Much? Transfer Tax is due at closing and payable through escrow. This tax does not expire. All future sales of this property will be charged this tax at close of escrow. The amount of the Transfer Tax is based on the value or sale prices of the property that is transferred. The County rate is one dollar and ten cents ($1.10) for each one thousand dollars ($1,000) of value. The rate for noncharter (“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](http://www.californiacityfinance.com/PropTransfTaxRates.pdf).

To estimate the Transfer Tax for the property, multiply the Property’s estimated sales price (in thousands of dollars) by the amount shown in the Tax Rate Table for the City and County in which the property is located.

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

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

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

Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Website by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender’s criminal history, this information will include either the address at which the offender resides or the community of residence and Zip Code in which he or she resides. California 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 maintains the database of the locations or 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 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 the neighborhood surrounding any particular property.

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

Local Information Locations for the Subject Property:
All sheriffs’ departments and every police department in jurisdiction 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 contact the local law enforcement department to investigate availability.

NOTICE OF MINIMUM ENERGY CONSERVATION STANDARDS FOR RESIDENTIAL CENTRAL AIR CONDITIONERS AND HEAT PUMPS

Manufacturers have been required to comply with the Department of Energy’s (“DOE”) energy conservation standards for residential central air conditioners and heat pumps since 1992. From time to time the DOE amends the minimum seasonal energy efficiency ratio (“SEER”) for such equipment for the purpose of saving energy. Equipment manufactured after January 1, 1992, and before January 23, 2006, must meet a minimum SEER rating of 10. Equipment manufactured between January 23, 2006 and January 1, 2015, must meet a minimum SEER rating of 13. After January 1, 2015, equipment installed in California must meet a minimum SEER rating of 14. The law does not require a seller to replace non-compliant existing equipment upon transfer. For more information about the new standards please visit http://www1.eere.energy.gov/buildings/appliance_standards/product.aspx/productid/75.
NOTICE OF CALIFORNIA’S 2013 ENERGY EFFICIENCY STANDARDS

Public Resources Code Sections 25402 and 25402.1 were enacted in 1975 as part of the enabling legislation establishing the California Energy Commission and its basic mandates. These sections require the Energy Commission to adopt, implement, and periodically update energy efficiency standards for both residential and nonresidential buildings.

The Standards must be cost effective based on the life cycle of the building, must include performance and prescriptive compliance approaches, and must be periodically updated to account for technological improvements in efficiency technology. Accordingly, the California Energy Commission has adopted and periodically updated the Standards (codified in Title 24, Part 6 of the California Code of Regulations) to ensure that building construction, system design and installation achieve energy efficiency and preserve outdoor and indoor environmental quality. The Standards establish a minimum level of building energy efficiency. A building can be designed to a higher efficiency level, resulting in additional energy savings.

The 2013 Building Energy Efficiency Standards, which are effective July 1, 2014, focus on several key areas to improve the energy efficiency of newly constructed buildings and additions and alterations to existing buildings, and include requirements that will enable both demand reductions during critical peak periods and future solar electric and thermal system installations. The most significant efficiency improvements to the residential Standards are proposed for windows, envelope insulation and HVAC system testing. The most significant efficiency improvements to the nonresidential Standards are proposed for lighting controls, windows, unitary HVAC equipment and building commissioning. New efficiency requirements for process loads such as commercial refrigeration, data centers, kitchen exhaust systems and compressed air systems are included in the nonresidential Standards. The 2013 Standards include expanded criteria for acceptance testing of mechanical and lighting systems, as well as new requirements for code compliance data to be collected in a California Energy Commission-managed repository. Compliance with the standard is assured by hiring a contractor who is properly licensed, and doing the installation with a building permit so that the City Building Inspector can check the work when completed. For more information, visit http://www.energy.ca.gov/title24/2013standards/.

NOTICE OF HOME ENERGY EFFICIENCY IMPROVEMENTS TAX CREDIT ADVISORY

According to the DOE, the higher replacement cost of SEER compliant air conditioning system will be offset by a savings of up to 23 percent in monthly energy costs. The California Energy Commission notes that leaking ductwork accounts for up to 25 percent of the heating costs of a typical home. Therefore, compliance with the new Federal and State standards offers substantial benefits to the property owner, as well as significant environmental benefits through decreased energy consumption, compared with older systems. In addition, consumers who purchase and install specific products, such as energy efficient windows, insulation, doors, roofs, and heating and cooling equipment in the home can receive a tax credit of up to $500 beginning January 2006. For more information visit http://www.energy.gov/taxbreaks.htm.

NOTICE OF WILLIAMSON ACT

The Williamson Act (California Land Conservation Act of 1965: Government Code Section 51200 et. seq.) is a state agricultural land protection program in which local governments elect to participate. The intent of the program is to preserve agricultural lands by discouraging their premature and unnecessary conversion to urban uses. No later than 20 days after a city or county enters into a contract with a landowner pursuant to this chapter, the clerk of the board or council, as the case may be, shall record with the county recorder a copy of the contract which would impart notice and therefore appear in the title report.
MOLD ADDENDUM

All prospective home and condominium purchasers are advised to thoroughly inspect the Property for mold. Mold may appear as discolored patches or cottony or speckled growth on walls, furniture, or floors, and it often has an earthy or musty odor. Mold may also grow beneath water-damaged surfaces and floors, behind walls and above ceilings. Therefore, if a property has an earthy smell or musty odor, mold contamination may exist even if no actual mold growth is visible.

Mold only needs a food source (any organic material such as wood, paper, dirt or leaves) and moisture to grow. There are many potential food sources for mold in homes. Therefore, preventing excess moisture is the key to preventing mold growth. Excess moisture can come from many sources, including flooding, plumbing or roof leaks, lawn sprinklers hitting the house, air conditioner condensation, humidifiers, overflow from sinks and sewers, steam, and wet clothes drying indoors. Be sure to inspect the Property for sources of excess moisture, current water leaks and evidence of past water damage. Once mold is found and the contaminated area properly cleaned up, mold growth is likely to recur unless the source of moisture is also eliminated.

If it is suspected that the Property has a mold problem, be sure to have a qualified inspector conduct a more thorough inspection. All areas contaminated with mold should be properly and thoroughly remediated.

Additional information can be found in the Homeowner’s Guide to Earthquake Safety and Environmental Hazards and in the following publication:

Mold In My Home: What Do I Do?
For more information visit: [www.cal-iaq.org](http://www.cal-iaq.org)

NOTICE OF METHAMPHETAMINE CONTAMINATION

The Methamphetamine Contaminated Property Act of 2005 requires the clean up of the property so it can be safe for occupancy if the property is found to be contaminated. In addition the bill provides for the imposition of a civil penalty (fines up to $5,000) upon a property owner who does not provide a notice or disclosure in writing and acknowledged by the buyer as required by the act, or upon a person who violates an order issued by the local health officer prohibiting the use or occupancy of a property contaminated by a methamphetamine laboratory activity.

This law also requires the Department of Environmental Health (DEH) to respond to complaints of potentially contaminated property which includes evaluating the property, testing for contamination, notifying and posting of warning notices, issuing orders prohibiting occupancy if the site is not safe, as well as overseeing the ultimate return of the property to a safe environment. Property owners are responsible for all the costs that may be associated with these actions.

NOTICE OF ABANDONED WELLS

According to the California Department of Water Resources an abandoned or “permanently inactive well” is a well that has not been used for a period of one year. Abandoned wells that are not properly sealed are a potential hazard to people and animals and may be a potential site of illegal waste disposal. Abandoned wells may allow contamination of groundwater. Abandoned wells should be destroyed in accordance with methods developed by the Department of Water Resources pursuant to Section 13800 of the Water Code.

NOTICE OF OIL AND GAS WELLS

California is a leading oil producer with most production in Los Angeles, Kern, Fresno, and Ventura Counties. There are thousands of idle and “orphan” wells. An idle well is a well that has not produced oil and/or gas or has not been used for fluid injection for six months during the last five years. The Division of Oil, Gas, and Geothermal Resources tracks and maintains an idle-well inventory. According to the Division an abandoned or “orphan” well is a well that has been deserted and has no viable operator or owner. The Division plugged 1,062 orphan wells from 1977 to 2004 at a cost of 14.8 million dollars. Oil and gas wells pose a threat to humans for fall hazard, fire hazard, groundwater contamination, methane gas seeps, and other hazards.
NOTICE OF NATURALLY OCCURRING ASBESTOS

Asbestos refers to naturally-occurring fibrous minerals found throughout the State of California. Serpentine, an ultra-mafic rock, contains asbestos and is commonly found in the Sierra foothills, the Coast Ranges, and the Klamath Mountains. On residential properties, naturally-occurring asbestos sources are typically dust from unpaved roads or driveways. Paving the unpaved driveways or roads can help to reduce exposure to asbestos. Asbestos is a known carcinogen and exposure may increase the risk of lung cancer. It is recommended that prospective buyers in an area designated as a Naturally Occurring Asbestos Zone consult an appropriate expert(s) who can test and identify naturally occurring asbestos rocks, on or near the property, which are exposed and may present a health risk. For more information please visit the Air Resources Board of the California Environmental Protection Agency website: http://www.arb.ca.gov/homepage.htm.

RADON GAS ADVISORY

THE COUNTY IN WHICH THE SUBJECT PROPERTY IS LOCATED IS DESIGNATED ZONE 2 FOR RADON GAS POTENTIAL

Radon is a gas that is produced from the radioactive decay of uranium and thorium found in certain rock and soil types. Radon, an odorless and colorless gas, can move from the soil into buildings. Exposure to concentrated levels of radon can increase a person’s risk of developing lung cancer.

The Highest Radon Potential, Zone 1, is set at 4.0pCi/l and above by the U.S. Environmental Protection Agency ("EPA"). Moderate Radon Potential, Zone 2, is set at between 2.0pCi and 4.0pCi/l. Low Radon Potential, Zone 3, is set at less than 2.0pCi/l. The EPA recommends indoor radon testing for all homes and recommends radon reduction measures for homes with radon levels of 4.0pCi/l and above. Radon testing kits can be purchased by homeowners or homeowners can hire contractors to provide the testing. For more information please visit http://GeoAssurance.com/booklets/MyNHD-RadonInformation.pdf.

NOTICE OF ABANDONED MINES ADVISORY

According to the Abandoned Mine Lands Unit of the State of California Department of Conservation, there are more than 165,000 mines features on more than 47,000 abandoned mine sites in the State of California. Approximately 84 percent of those sites contain physical safety hazards. The public is warned against entering any open shafts or mine openings. For more information please visit the Abandoned Mine Lands Unit website: http://www.conservation.ca.gov/omr/abandoned_mine_lands/Pages/Index.aspx.

WOOD-BURNING HEATER ADVISORY

The Clean Air Act is the law that defines EPA’s responsibilities for protecting and improving the nation’s air quality and the stratospheric ozone layer. Using a nationwide network of monitoring sites, EPA has developed ambient air quality trends for particle pollution, also called Particulate Matter (PM). Under the Clean Air Act, EPA sets and reviews national air quality standards for PM. Air quality monitors measure concentrations of PM throughout the country. EPA, state, tribal and local agencies use that data to ensure that PM in the air is at levels that protect public health and the environment.

“Particulate matter,” also known as particle pollution or PM, is a complex mixture of extremely small particles and liquid droplets. Particle pollution is made up of a number of components, including acids (such as nitrates and sulfates), organic chemicals, metals, and soil or dust particles. The size of particles is directly linked to their potential for causing health problems. EPA is concerned about particles that are 10 micrometers in diameter or smaller because those are the particles that generally pass through the throat and nose and enter the lungs. Once inhaled, these particles can affect the heart and lungs and cause serious health effects. “Fine particles,” such as those found in smoke and haze, are 2.5 micrometers in diameter and smaller. Approximately 10 million wood stoves are currently in use in the United States, and 70 to 80 percent of them are older, inefficient, conventional stoves that pollute.

The Great American Woodstove Changeout is a voluntary program designed to reduce particle pollution from woodstoves by encouraging people to replace older, more polluting stoves with EPA-certified stoves and fireplace inserts. It also provides information on building more efficient, less polluting fires. Certain jurisdictions have established legal requirements to reduce wood smoke. For example, some communities have restrictions on installing wood-burning appliances in new construction. For more information on possible regulations in your area go to http://www.epa.gov/burnwise/ordinances.html.
1. This GeoAssurance Natural Hazard Disclosure Report (“Report”) was prepared by GeoAssurance, Inc. (“GeoAssurance”). This Report was prepared solely for one transaction and one escrow, as described on page 1 (collectively, the “Transaction”). This Report may be used solely between this seller and this buyer for that single Transaction related to the property address and assessor’s parcel number (“Property”) provided to GeoAssurance.

2. Only the seller, buyer, listing agent/broker and selling agent/broker, if any, involved in the Transaction (collectively, the “Recipients”) may use and rely on this Report and only after they have paid in full for the Report. Neither lenders nor subsequent buyers of the Property may use or rely on this Report. There are no third party beneficiaries to this Report even if they have a foreseeable relationship with any of the Recipients, or with the Property. This Report is time-sensitive; its information is accurate only as of the date referenced on Page 1 (the “Effective Date”). Taxes, governmental legislation and other matters affecting the Property after the Effective Date are not disclosed, and GeoAssurance expressly disclaims any duty to supplement this Report to disclose any taxes, legislation, changes or charges becoming effective after the Effective Date. If the Transaction does not close within a reasonable time after the Effective Date, GeoAssurance strongly recommends that a new report be ordered.

3. This Report may not be used in conjunction with any Natural Hazard Disclosure Statement (“NHDS”) other than the NHDS issued as part of this Report. This Report may have an effect on the value of the Property; nevertheless, this Report may not be used in connection with any appraisal or valuation of the Property, or for any other valuation purposes. This Report is protected by copyright, trademark and other intellectual property laws and may not be copied or reproduced in any manner. Violators will be prosecuted as permitted by law.

4. GeoAssurance has not visually inspected the Property. Instead, this Report refers specifically to certain records, statutes and other information provided by various governmental agencies and third parties. In particular, the information contained in the C.L.U.E. Report (if ordered) and the tax disclosures are obtained from independent third parties. GeoAssurance has no way to verify the accuracy or completeness of this information, but has assumed the information is accurate and complete. If such information is not accurate or complete, GeoAssurance cannot and shall not be liable or responsible for such omissions or inaccuracies. GeoAssurance further shall not be liable or responsible for omissions or inaccuracies in the Report that the Recipients, or any of them, knew or should have known as of the Effective Date. This Report does not disclose whether the Property is contaminated with hazardous substances.

5. There may be other disclosures required by California law; GeoAssurance makes no representations or warranties as to the adequacy or accuracy of any other representations, warranties or disclosures required under other such laws. GeoAssurance shall not be liable or responsible for failing to disclose any matters not known to GeoAssurance, not shown on the maps used by GeoAssurance, not recorded in the public record as of the Effective Date, or not included within the categories of items included in the Report. GeoAssurance’s total liability and responsibility to any Recipient for any liabilities, causes of action, claim or claims, including but not limited to any claim for breach of contract or negligence, shall be limited to actual proven damages measured by the difference in fair market value of the Property on the Effective Date, if any, caused by GeoAssurance’s error. Any action initiated relative to the Report shall be governed by the laws of the State of California without regard to conflicts of law principles. In the event of any error, omission or inaccuracy in the GeoAssurance Report for which GeoAssurance is liable, GeoAssurance reserves the right to assume defense of the action and/or, compromise or settle the matter with the Recipients, or any of them. The Recipients, and each of them, expressly waive the benefits of Civil Code Section 2778.

6. Recipients are encouraged to contact a local insurance agent regarding earthquake insurance, fire insurance and flood insurance. Recipients also may contact the National Flood Insurance Program regarding flood insurance. If there is a dispute involving a FEMA flood determination, GeoAssurance shall obtain a “Flood Certificate” from a flood insurance company admitted and licensed to do business in California. The determination shown on the Flood Certificate shall be final and binding as to whether the Property is or is not in Zone “A” or “V” as shown on Flood Insurance Rate Map panels. The issuance of a “Flood Certificate” showing that a property is not in Zone “A” or “V” does not guarantee that the entire parcel of property is outside of the area designated by FEMA as at risk of a flood. GeoAssurance is not and shall not be responsible or liable for any costs, losses, or compensatory or consequential damages arising from earthquakes, fires or floods.

7. If the Transaction involves multiple adjacent parcels, the parcel shown on Page 1 of this Report is regarded as the “Primary Parcel,” and the disclosures contained in the Report operate as if only a single parcel is involved. In other words, even if a matter affects only one parcel, it will be disclosed as affecting all of the parcels. For parcel-by-parcel disclosures, individual reports must be ordered separately for each parcel. With regard to Mello-Roos Community Facilities Districts, Special Assessment Districts (1915 Bond Act) (collectively, “Mello-Roos/SAD”) tax disclosures and the property tax breakdown, the tax information is provided only for the Primary Parcel.
8. Only current tax-year Mello-Roos/SAD assessments are disclosed. However, accurate or complete Mello-Roos/SAD information sometimes is unavailable for a number of reasons, including (a) if a property is in foreclosure because a Mello-Roos/SAD assessment is delinquent, (b) if the secured property tax bill information is unavailable or has not been released by the county where the property is located. In addition, this Report may not disclose certain items because (i) they are not levied on the current tax bill, (ii) if the owner has applied for an exemption, certain items may not appear on the current tax bill, (iii) judicial foreclosure lawsuits sometimes cause items to be removed from the current tax bill, (iv) the property owner was billed directly for an item, e.g., apart from the secured property tax bills, and (v) the relevant County has not yet released the applicable tax information. The information in this Report comes from what GeoAssurance believes to be reliable sources. However, GeoAssurance shall not be responsible or liable for errors in the tax data it obtains from third party suppliers.

9. The maximum tax amounts specified in this Report are estimates only, calculated based on available County assessor data and/or third party data. GeoAssurance does not review of the relevant County recorder’s or other jurisdictions’ files to determine the presence of any other taxes or assessments affecting the Property. The levy amounts are subject to change for many reasons, including different interpretations of the Special Tax Formula, availability of data, and changes or corrections to classifications from year-to-year. The Report provides an estimate of items not included on the current tax bill, but the estimates are not comprehensive. For example, there may exist taxes and assessments which have not yet been levied on the tax bill or during the tax year described in the Report. GeoAssurance updates its information annually reasonably after updated information is released. Assessment districts also are subject to change, and therefore, this Report cannot be used or relied upon for nearby properties or future transactions involving this Property. Each Recipient is encouraged to contact the appropriate agents representing the local Mello-Roos/SAD with any specific questions they may have.

10. This Report is intended to satisfy the disclosure obligations related to Civil Code Sections 1103.2, 1102.6b, 1102.6c, 1102.6e, 1102.15, 1102.17, and 2079.10a. GeoAssurance has been asked by the seller to provide this Report to assist the seller, and both the buyer’s and seller’s agents, in availing itself/themselves of the protections contained in Civil Code Section 1103.4. However, GeoAssurance cannot guaranty the availability of such protections, and makes no representations or warranties in connection therewith. California law also requires sellers to disclose a continuing lien securing the levy of special taxes pursuant to the Mello-Roos Community Facilities Act (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code) and of a fixed lien assessment collected in installments to secure bonds issued pursuant to the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code) in connection with the sale of real property in California. GeoAssurance strongly recommends that the buyer obtain a title report and title insurance covering the Property; the GeoAssurance Report is not a replacement for a title report or a title insurance policy.

11. This Report discloses certain earthquake zones, flood zones, fire zones, and special tax assessment matters. Nothing in this Report relates to (a) title or title defects, (b) encroachments, geological issues or matters that would be disclosed by a land surveyor, soil survey or geological survey, (c) land use or zoning related matters, (d) parcel maps or subdivisions under the California Subdivided Land Acts or the Subdivision Map Act, (e) compliance with the Americans with Disabilities Act, local building codes or other federal, state or local laws, ordinances or restrictions that may affect the Property, (f) the use, occupancy or development of the Property, including any restrictions resulting from any state, local or federal governmental agency, such as school districts, water districts, joint power districts, flood control districts, or the California Coastal Commission, (g) building permits or any other permits that may be required for the Property or its current or future anticipated uses, or (h) any other matter potentially affecting the Property.

12. BY SIGNING, ACCEPTING OR USING THE NATURAL HAZARD DISCLOSURE STATEMENT OR THIS REPORT, THE RECIPIENTS, AND EACH OF THEM AND THEIR AGENTS AND REPRESENTATIVES, HEREBY ACKNOWLEDGE AND AGREE (AND SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED) THAT THEY HAVE REVIEWED, APPROVED AND ACCEPTED ALL OF THE TERMS, CONDITIONS AND LIMITATIONS CONTAINED HEREIN. GEOASSURANCE SHALL NOT BE LIABLE OR RESPONSIBLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS OR ANY REDUCTION IN THE VALUE OF THE PROPERTY, ARISING OUT OF OR RELATED TO THE PREPARATION, ISSUANCE, USE OF OR RELIANCE UPON THIS REPORT, EVEN IF SUCH DAMAGES ARE FORESEEABLE.

13. GeoAssurance, Inc. hereby agrees to indemnify the real estate brokers, agents and transaction coordinators, escrow company, and the seller ordering this report as covered by our Professional Liability Insurance Policy for damages to the extent they are caused by our negligent acts, errors or omissions in the performance of our services and subject to the limitations of this report. The seller nor any listing or selling agent, transaction coordinator or escrow company will not be liable for any error in this information as long as ordinary care is exercised in transmitting it. (Cal. Civ. Code §1102.4).