

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

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|---------------------|-------------------------|-------------------|--------------|----------------------------------|---------------------------|
| Building No. 500 | Street Madera Avenue | City Morro Bay | Zip 93442 | Date of Inspection 12/13/2018 | Number of Pages 1 of 6 |
|---------------------|-------------------------|-------------------|--------------|----------------------------------|---------------------------|



A LICENSED PEST CONTROL OPERATOR IS AN EXPERT IN HIS/HER FIELD. QUESTIONS RELATIVE TO THIS REPORT SHOULD BE REFERRED TO HIM/HER.

Report #: 90603

| | | |
|--|---|--|
| Ordered by: Ray Baynham 500 Madera Avenue Morro Bay, CA 93442 | Property Owner and/or Party of Interest: Ray Baynham 500 Madera Avenue Morro Bay, CA 93442 | Report sent to: Pinnacle Realty Jennifer Linette |
|--|---|--|

COMPLETE REPORT
 LIMITED REPORT
 SUPPLEMENTAL REPORT
 REINSPECTION REPORT
 CORRECTED REPORT

| | |
|--|----------------------------------|
| General Description: Two story; Single family residence; Wood siding; Composition shingle roof; Furnished and occupied. | Inspection Tag Posted: GARAGE |
| | Other Tags Posted: |

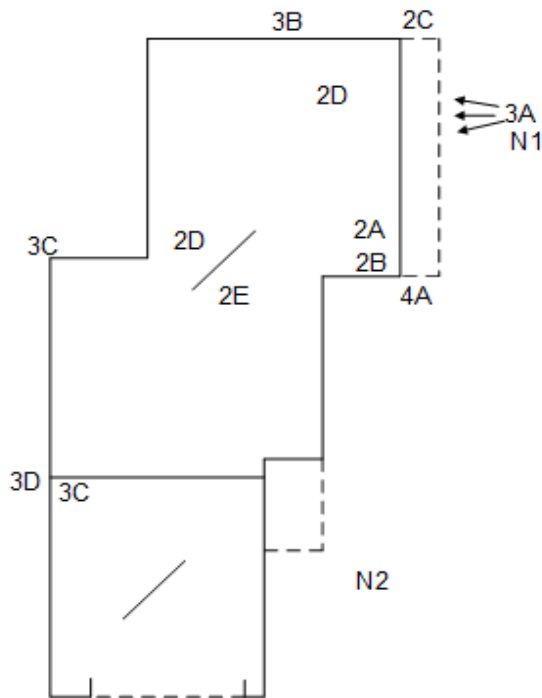
An inspection has been made of the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.

Subterranean Termites
 Drywood Termites
 Fungus/Dryrot
 Other Findings
 Further Inspection

If any of the above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items.

Key: 1 = Subterranean Termites 2 = Drywood Termites 3 = Fungus/Dryrot 4 = Other Findings 5 = Unknown Further Inspection

*** Complete Inspection Report ***
 Diagram not to scale
 Finding locations approximate



Inspected By: Jamie Parkins License No.: FR28224 Signature: *Jamie Parkins*

You are entitled to obtain copies of all reports and completion notices on this property reported to the Structural Pest Control Board during the preceding two years. To obtain copies contact: Structural Pest Control Board, 2005 Evergreen Street, Suite 1500, Sacramento, California, 95815-3831.

NOTE: Questions or problems concerning the above report should be directed to the manager of the company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control Board at (916) 561-8708, (800) 737-8188 or www.pestboard.ca.gov. 43M-41 (REV. 10/01)

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General Comments

THIS IS A COMPLETE INSPECTION and includes structure(s) of the property as described on page one of this report. The inspection is limited to visible and accessible areas of the structure(s) drawn in diagram space. Other structures of the property were not included in this report. See the statements on the final page of this report for further information as to the scope of this inspection.

NOTE: There was normal storage at the interior of the garage at the time of inspection. Areas covered by normal storage or furnishings were not accessible for visual inspection. Further inspection will be completed upon request after storage has been removed by others. There may be a fee charged for this reinspection.

NOTE: This structure was furnished and occupied at the time of this inspection. Areas covered by normal storage or furnishings were not accessible for visual inspection. Further inspection will be completed upon request after storage has been removed by others. There may be a fee charged for this reinspection.

NOTE: The attic was partially inaccessible due to insulation and low construction in some areas.

NOTE: The second level eaves and/or other portions of the structure which extend above 12 feet from the ground were inspected visually from the ground level only. Portions of the structure within 12 feet were visually inspected and then probed if indications of infestation, infection or adverse condition were found. Portions of the structure above 12 feet were visually inspected only. Accuracy above this point cannot be guaranteed. Visual inspection was limited in relation to height. If closer inspection of these areas is desired, parties in interest should contact our office prior to the close of escrow to arrange for further inspection. There will be additional fees for this service.

This is a separated report which is defined as Section I/Section II conditions evident on the date of the inspection.

"SECTION I" contains items where there is visible evidence of active infestation, infection or conditions that have resulted in or from infestation of infection.

"SECTION II" items are conditions deemed likely to lead to infestation or infection but where no visible evidence of such was found.

"FURTHER INSPECTION" items are defined as recommendations to inspect area(s) which during the original inspection did not allow the inspector access to complete the inspection and cannot be defined as Section I or Section II.

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Description of Findings

SECTION: I DRYWOOD TERMITES

- Finding: 2A Evidence of Drywood Termite infestation was found at the exterior and appears to extend into inaccessible areas of the structure.
- Recommendation: Seal the structure and fumigate with a gas lethal to Drywood Termites (Sulfuryl Fluoride). All occupants and pets must vacate the structure until the fumigation is complete. This company will exercise reasonable caution, but cannot be held responsible for damage to plants, TV antennas or roofing due to the fumigation. Further terms and instructions will be supplied upon request or upon scheduling of the fumigation. Information may also be obtained from the fumigation page on our website at www.keytermite.com
*****Fumigations are guaranteed for 5 years from the date completed*****
- Price: \$1,643.00
- Finding: 2B Minor Drywood Termite damage was found at the second level fascia.
- Recommendation: Repair the minor damage of the second level fascia with a wood filler.
- Price: \$222.00
- Finding: 2C Drywood Termite damage was found at the trim.
- Recommendation: Remove and replace the damaged portion of the trim as needed.
- Price: \$133.00
- Finding: 2D Evidence of Drywood Termite infestation was found at the attic.
- Recommendation: Refer to item 2A for recommendation. Cost included in item 2A.
- Price: Included as noted in recommendation.
- Finding: 2E Evidence of Drywood Termite infestation was found at the interior.
- Recommendation: Refer to item 2A for recommendation. Cost included in item 2A.
- Price: Included as noted in recommendation.

FUNGUS/DRYROT

- Finding: 3A Fungus damage was found at the rafter end of the eave area.
- Recommendation: Replace the fungus damaged portions of the rafter end as needed.
- Price: \$356.00
- Finding: 3B Minor fungus damage was found at the window sash. Replacement of the wood member appears to be impractical.
- Recommendation: Remove the minor damage with a wood chisel. Fill the void with an exterior wood filler.
- Price: \$267.00
- Finding: 3C Fungus damage was found at the second level fascia of the eave area.
- Recommendation: Replace the fungus damaged portions of the second level fascia of the eave area as needed.
- Note: Cost included in item 2A.
- Price: Included as noted in recommendation.
- Finding: 3D Fungus damage was found at the fascia of the eave area.
- Recommendation: Replace the fungus damaged portions of fascia as needed.
- Price: \$178.00

SECTION: II OTHER FINDINGS

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Finding: 4A Earth to wood contact exists at the siding.
Recommendation: Lower the adjacent soil grade as necessary to eliminate the earth to wood contact.
Price: \$89.00

Section I Total: \$2,799.00
Section II Total: \$89.00

Grand Total: \$2,888.00

(totals include items priced above only)

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Informational Items

INFORMATIONAL ITEMS listed below are items where the inspector wishes to inform parties in interest about questionable conditions or report exclusions. These disclosures may be of concern to parties in interest, but did not qualify as a required finding or correction as defined by the Structural Pest Control Act. All parties in interest should satisfy themselves as to these disclosures prior to the close of escrow.

INFORMATIONAL ITEM> N1: Minor Drywood Termite damage was noted at the eave. There appears to be no structural weakness due to this minor damage and correction is not required.

INFORMATIONAL ITEM> N2: The entry way deck is not attached and was not included in this report.

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- 1.This inspection is limited to the visible and accessible portions of the structure as noted on the diagram only. Although a full diagram may be drawn for reference purposes, all areas may not have been inspected. Please read the entire report to determine the limitations of the inspection. All findings will pertain to infestation and/or infection by wood destroying pests and/or organisms and does not include reference to other structural pests such as, but not limited to; Rats, Mice, Bats, Fleas, Cockroaches, Ants, Etc.. This inspection does not include opinions as to the condition of plumbing, roofing, electrical, gas, heating, air conditioning, or other such structural elements. If such information is desired, we suggest that a qualified Home Inspector be contacted. Inspection of fences is not included in this report unless otherwise stated. The exterior surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractors' State License Board.
- 2.The following areas were not inspected, as indicated in Section #1990, paragraph (j) of the Structural Pest Control Act and Rules and Regulations: Portions of furnished interiors concealed by personal property, inaccessible attics, insulated attics, and portions thereof; the interior of hollow walls; spaces between a floor or porch deck and the ceiling or soffit below; stall showers over finished ceilings: such structural segments as porte-cocheres, enclosed bay windows, buttresses and similar areas to which there is no access without defacing or tearing out lumber, masonry and finished work; built-in cabinet work, floor beneath coverings; areas where storage conditions or locks makes inspection impractical; portions of the structure covered by plant growth. The inspector did not move storage or furnishings during inspection. NEITHER KEY TERMITE AND PEST CONTROL, INC. NOR IT'S EMPLOYEES OR SUBCONTRACTORS MAKES ANY GUARANTEE AGAINST FUTURE OR HIDDEN INFESTATION(S), INFECTION(S), OR ADVERSE CONDITION(S) PRESENT BUT NOT EVIDENT AT THE TIME OF INSPECTION(S). Routine inspection does not include opening windows, opening all exterior doors or inspecting interior of cabinets. Further inspection of these areas may be completed upon request and at additional expense.
- 3.CERTIFICATION applies to visible and accessible areas of the structure observed at the time of original inspection. This certification does not constitute a guarantee that parties in interest will not inherit hidden infestations, infections or adverse conditions. Key Termite and Pest Control, Inc. assumes no liability for such hidden conditions. If a problem is discovered that was not disclosed during our inspections, do not disturb the area. Contact our office immediately to inspect the problem area and allow proper determination. This limitation does not apply to our 5 year guarantee on Fumigation or Full Perimeter Subterrean Termite treatments.
- 4.REINSPECTIONS; "This Company will reinspect repairs done by others within 4 months of the Original inspection. A charge, if any can be no greater than the original inspection fee for each reinspection. The reinspection must be done within ten (10) working days of request. The reinspection is a visual inspection and if inspection of concealed areas is desired, inspection of work in progress will be necessary. Any guarantees must be received from parties performing repairs." Consultation appointments will be made upon request. On site appointments will be billed at a minimum of \$45.00 per appointment. Telephone calls to discuss the report findings are no charge.
- 5.The structure was inspected from the ground level only. Portions of the structure that extend more than 10 feet from the ground level were visually inspected only. Accuracy above this point cannot be guaranteed. Wood members showing visible signs of infestation or infection were pick-tested to determine the nature and extent of the finding. The inspector did not get up on the roof to inspect wood members accessible from the roof.
- 6.NOTICE: The structural Pest Control Board encourages competitive business practices among registered companies. Reports on this structure prepared by various companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary company to company. You have a right to seek a second opinion from another company.
- 7.NOTICE: The charge for service that this company subcontracts to another person or entity may include the company's charges for arranging and administering such services that are in addition to the direct costs associated with paying the subcontractor. YOU MAY ACCEPT KEY TERMITE AND PEST CONTROL, INC.'S BID OR YOU MAY CONTRACT DIRECTLY WITH ANOTHER REGISTERED COMPANY LICENSED TO PERFORM THE WORK. IF YOU CHOOSE TO CONTRACT DIRECTLY WITH ANOTHER REGISTERED COMPANY, KEY TERMITE AND PEST CONTROL, INC. WILL NOT BE RESPONSIBLE FOR ANY ACT OR OMISSION IN THE PERFORMANCE OF WORK THAT YOU DIRECTLY CONTRACT WITH ANOTHER TO PERFORM.
- 8.This property WAS NOT inspected for the presence or absence of health related molds or fungi. By California Law, we are neither qualified, authorized nor licensed to inspect for health related molds. If you desire information about the presence or absence of health related molds, contact the California Department of Health Related Services. A link may be found in our web site at the following web address <http://www.keytermite.com/mold.html>
- 9.Pesticides are the products Key Termite and Pest Control, Inc. uses to control the target pests listed in your Inspection Report. Pesticides are indispensable tools our industry uses to control disease carrying pests and wood destroying insects, thus protecting your health and property. When properly used, pesticides pose minimal risk to humans or the environment. Your Technician is a State certified applicator whose knowledge is constantly being upgraded through regularly scheduled training sessions. If you have any questions, please call us at our toll free number: 800-548-5599 or write to: Key Termite and Pest Control, Inc., 9605 El Camino Real, P.O. Box 969, Atascadero, CA, 93423. Key Termite and Pest Control, Inc. will not apply any compound not authorized for use in California. Please refer to the Inspection Report above for proposed materials to be used.
- 10.CAUTION: PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Operators are licensed and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the State finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized. If within 24 hours following an application you experience symptoms similar to common seasonal illness, comparable to the flu, contact Key Termite and Pest Control, Inc. (800-548-5599), your physician, and/or your Poison Control Center. For the Poison Control Center, contact the following: (1-800-876-4766). FURTHER INFORMATION: Contact any of the following: Your pest control operator is Key Termite and Pest Control, Inc., (800-548-5599); for Regulatory Information call the Structural Pest Control Board (916-561-8708), or write 2005 Evergreen Street, Suite 1500, Sacramento, CA, 95815-3831. For answers to your health questions, call the County Health Department; Santa Barbara County Health Dept (805-681-5102); San Luis Obispo County Health Dept (805-781-5544); and for application information, contact the County Agriculture Commissioner; Santa Barbara County Agricultural Commissioner (805-681-5600); San Luis Obispo County Agricultural Commissioner (805-781-5910).
- 11.Under the California Mechanics Lien Law any structural pest control company which contracts to do work for you, any contractor, laborer, supplier or other person who helps to improve your property, but is not paid for his or her work or supplies, has a right to enforce a claim against your property. This means that after a court hearing your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural pest control company in full if the subcontractor, laborers or suppliers remain unpaid.
- 12.To preserve their right to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are required to provide you with a document entitled "Preliminary Notice". Prime contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. It's purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.
- 13.NOTICE: Invoices are due and payable within 30 days. 1.5% per month will be added to account balances beyond 30 days from the date of work completed. This is an annual percentage rate of 18%. (Interest charged pursuant to the Robinson-Patman Act). Interest amounts for balances billed to an Escrow Company as a course of a Real Estate sale will be waived up to 4 months from the date of work completed so long as the property remains in escrow. Should an Escrow transaction cancel, the full account balance is due and payable upon the Escrow cancellation date.

WORK ORDER AGREEMENT (PAGE 2 OF 2)

| | | | | |
|--------------|---------------|-----------|-------|----------|
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*****State law requires that you be given the following information*****

CAUTION-PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Pesticide Regulation Agency and the United States Environmental Protection Agency. Registration is granted when the State finds that, based on existing scientific evidence, there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized." If within 24 hours following application you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or Poison Control Center and Key Termite and Pest Control, Inc. (800) 548-5599 immediately. For further information contact any of the following;

For health questions: The County Health Department (805) 781-5500
 For application information: The County Agricultural Commissioner (805) 781-5910
 For regulatory information: The Structural Pest Control Board, 2005 Evergreen Street, Suite 1500, Sacramento, CA 95815-3831, (916) 561-8700

Prices for structural repair include replacement of damaged wood members visible at the time of inspection only. Structural improvements necessary to upgrade the existing construction to current building code or corrections of hidden conditions exposed during repairs will be completed at additional expense. This company assumes no liability for improper or non compliant structure(s) on which we complete repairs. Parties in interest should contact the county building department and/or qualified home inspector concerning the structures' compliance with building code. The property owner is responsible to pay for all costs associated with building permits and engineering fees needed and is not included in the repair bid. There will also be additional costs if upgrades are required by the local building department prior to or during the course of repairs. These costs should be determined and appropriated by parties in interest prior to the close of escrow. Reasonable effort will be taken to match existing material being replaced with the same or similar type. However, Key Termite and Pest Control Inc. does not guarantee new material will match the existing material. Special order materials may delay the completion of recommended work and certification date. Painted wood members that are replaced by this company (except stained or varnished wood, and redwood decking) will be painted unless otherwise requested and will be billed as quoted in report recommendation. This company makes no guarantee of color match. The buyer or seller is responsible to choose paint color prior to commencement of repairs. Structural repair recommendations not priced above may be completed upon request and will be billed at \$85.00 per hour which will include basic construction materials (doors, windows and redwood deck materials would be additional). Key Termite and Pest Control, Inc. nor its employees or subcontractors assumes no liability for distribution of molds, dusts or other allergens as a result of repairs performed to the property. Parties in interest should contact a Certified Industrial Hygienist for further information and advice prior to commencement of repairs. We will exercise reasonable caution with adjacent plant growth during the completion of repairs, however, neither Key Termite and Pest Control, Inc. nor its employees or subcontractors assumes any liability for damages to adjacent plant growth as a result of the completion of repairs. Prices authorized after 30 days from the date of issuance of the inspection report are void and must be re-bid. Our minimum job fee is \$145.00 (to cover trip costs and completion notice paperwork). If repairs completed total less that \$145.00, we will bill the \$145.00 minimum fee.

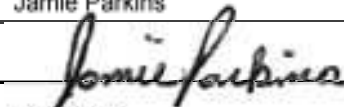
Under the California Mechanics Lien Law any structural pest control company which contracts to do work for you, any contractor, subcontractor, laborer, supplier, or other person who helps to improve your property, but is not paid for his or her work or supplies, has a right to enforce a claim against your property. This means that after a court hearing, your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural pest control company in full if the subcontractor, laborers, or suppliers remain unpaid. To preserve their right to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are required to provide you with a document entitled "Preliminary Notice." Prime contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of person(s) who may have a right to file a lien against your property if they are not paid.

NOTICE: Invoices are due and payable within 30 days. 1.5% per month will be added to account balances beyond 30 days from the date of work completed. This is an annual percentage rate of 18%. (Interest charged pursuant to the Robinson-Patman Act). Interest amounts for balances billed to an Escrow Company as a course of a Real Estate sale will be waived up to 4 months from the date of work completed so long as the property remains in escrow. Should an Escrow transaction cancel, the full account balance is due and payable upon the Escrow cancellation date.

By executing this work authorization contract, customer acknowledges that he or she has been advised of the forgoing and has had the opportunity to consult with a qualified professional.

UNLESS OTHERWISE STATED IN THE INSPECTION REPORT OR THIS CONTRACT, ALL WORK COMPLETED BY KEY TERMITE AND PEST CONTROL IS GUARANTEED FOR TWO YEARS FROM THE DATE OF COMPLETION AGAINST DEFECTS IN MATERIALS AND/OR WORKMANSHIP. ELIMINATION OF REPORTED WOOD DESTROYING PESTS BY STRUCTURAL FUMIGATION AND "PERIMETER PLUS" SUBTERRANEAN TERMITE TREATMENT IS GUARANTEED FOR FIVE YEARS FROM THE DATE OF COMPLETION.

BY SIGNING BELOW, I ACKNOWLEDGE THAT I HAVE READ, UNDERSTAND AND AGREE TO THE TERMS OF THIS CONTRACT AND THE REPORT IT REFERS TO.

| | |
|---|---|
| BY OWNER/AGENT/BUYER PHONE: 805-441-4711 SIGNATURE: _____ PRINT NAME: _____ | Key Termite and Pest Control, Inc. By: <u>Jamie Parkins</u> Signature: <u></u> Lic. #: <u>FR28224</u> |
| NOTE: WORK WILL NOT COMMENCE UNTIL DELIVERY OF YOUR WOOD DESTROYING PESTS AND ORGANISMS REPORT. FOR DETAILS REGARDING THE ABOVE RECOMMENDATIONS PLEASE REFER TO YOUR INSPECTION REPORT. | |



P.O. Box 969, Atascadero, CA 93423
 800-548-5599 / 805-466-8026 fax
 www.keytermite.com / info@keytermite.com

Service Slip / Invoice

| | |
|----------|----------|
| INVOICE: | 219990 |
| DATE: | 12/13/18 |
| ORDER: | 219990 |



Bill-To: [44057]
 Ray Baynham
 500 Madera Avenue
 Morro Bay, CA 93442

Work Location: [44057] 805-441-4711
 Ray Baynham
 500 Madera Avenue
 Morro Bay, CA 93442

| Work Date | Time | Target Pest | Technician | Time In |
|----------------|----------|--------------|------------|----------|
| 12/13/18 | 12:00 PM | | JPARKINS | |
| Purchase Order | Terms | Last Service | Map Code | Time Out |
| | NET 30 | 12/13/18 | | |

| Service | Description | Amount |
|---------|-------------------------|-------------------------|
| WDOC | Complete WDO Inspection | \$89.00 |
| | | SUBTOTAL \$89.00 |
| | | TAX \$0.00 |
| | | TOTAL \$89.00 |
| | | AMT. PAID \$0.00 |
| | | BALANCE \$89.00 |

* Charges outstanding over 30 days from the date of service are subject to a 1 1/2% FINANCE CHARGE PER MONTH or annual percentage rate of 18%. Customer agrees to pay accrued expenses in the event of collection.

I hereby acknowledge the satisfactory completion of all services rendered, and agree to pay the cost of services as specified above.

X _____
 CUSTOMER SIGNATURE

PLEASE PAY FROM THIS INVOICE