

Disclosure and Advisories

971 Nadelhorn Dr., Lake Arrowhead, CA 92352

SAN BERNARDINO MOUNTAIN ADVISORY

Property Address: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352, San Bernardino County

This Advisory is provided for informational purposes only and is intended for new purchasers of residential Real Estate within the mountain communities and are subject to change.

Accuracy of Information Provided: Property data obtained and provided by Sellers, Real Estate Professionals, Agencies, Escrow Companies, Title Companies, the County and other governmental entities may contain incorrect, inaccurate, and / or incomplete information that may inadvertently enter the MLS and appear in official and non-official documents relating to local properties. **INFORMATION MAY NOT BE RELIABLE AND MUST BE INDEPENDENTLY VERIFIED.** Real Estate professionals are not qualified to verify the accuracy or completeness of the supplied information, including square footage. Buyers are advised that Agents, Sellers, the Local Realtor Association, and the Local MLS have not and will not attempt to verify information provided. Additionally, information provided is in no way warranted or guaranteed by the Sellers, Agents, Association or MLS. Buyers are strongly urged to thoroughly investigate, verify, validate and confirm any information provided by conducting their own independent research and / or by retaining the services of a qualified third-party specialist.

1. Access Roads: Buyer is advised and hereby acknowledges that area access roads (private road easements) are NOT maintained, paved, or snow plowed by the County of San Bernardino or any other Governmental Agency. Access roads are owned by the property owners using such roads that pay for and administer maintenance and snow removal. Any maintenance, paving or snow plowing is by custom or practice, performed by the property owner desiring that benefit, unless otherwise provided for through separate association or contractual agreement. Many access roads are subject to and / or have experienced damage due to deferred maintenance. Some access roads are not paved. Fire / rescue services and insurance coverage may be affected if access roads are not maintained.

3. Arrowhead Lake Association (ALA) & Lake Rights: Lake Arrowhead is a man-made lake and is PRIVATE property including the land around Lake Arrowhead that may only be used by property owners within Arrowhead Woods who are members of the ALA and their guests for recreational use pursuant to the rules of the ALA, (i.e. fishing, swimming, boating and using the ALA property for foot travel where designated.) (See Access Map available in the ALA Office or at www.ala-ca.org). ALA owns and operates the Lake, Burnt Mill and Tavern Bay Beach Clubs, Marina Peninsula Park and Grass Valley Lake. ALA also owns and maintains the reserve strip and reserve addition and numerous accesses which allow property owners, who are not lakefront, access down to the Lake at specified areas. The reserve strip is the land around the shoreline just above the high-water level for use by all owners of property within Arrowhead Woods for recreational purposes. Proof of membership in ALA or property ownership in Arrowhead Woods is required for entry. "Reserve Strips" are certain strips of land bordering the major portion of the Lake and lying within the contour lines of 5,122 feet above sea level to 5,132 feet above sea level. The width varies depending on elevation. The "Reserve Strip Additions" are certain strips of land bordering the major portion of the Lake and lying within the contour lines of 5,100 to 5,122 feet above sea level. ALA also owns the land under the Lake.

Buyer is advised and hereby acknowledges that the owners of properties located outside of the geographical area known as Arrowhead Woods are NOT entitled to usage of the shoreline of the lake or the amenities constructed around the lake, and are NOT entitled to lake rights for Lake Arrowhead. Only property owners within the Arrowhead Woods geographical area have any right whatsoever to use Lake Arrowhead. (TRACTS 1903 & 1996, ALSO KNOWN AS THE LAKEWOOD TRACTS, DO NOT HAVE LAKE RIGHTS). Lake Arrowhead and all its facilities are CLOSED to the public and are for the exclusive use and enjoyment of property owners within the Arrowhead Woods geographical area and their respective guests. Improvements provided by ALA are only usable by property owners who choose

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to become members of the ALA, a member's private organization. There are a variety of membership types available to property owners within the ALA.

Before any construction, repair work, vegetation removal or planting is performed on any existing structures on the lake or on ALA property, a permit from the ALA office must be obtained. There is a set of guidelines in the ALA office to assist in the application process. An application fee is required. No tree trimming or cutting, vegetation removal or irrigation is permissible on ALA property without written approval of ALA. Buyer is advised and hereby acknowledges that complete information about the ALA and its governing documents, rules, regulations and fees is also available at www.ala-ca.org or by contacting ALA directly at (909) 337-2595.

Any boat used on Lake Arrowhead must be registered in accordance with the rules of the State of California in the name of the property owner within the Arrowhead Woods geographical area who chooses to be a member of the ALA. The use of personal motorized watercraft, such as jet skis or wave runners, is NOT permitted on Lake Arrowhead.

Arrowhead Lake Association (ALA) and Lakefront Lots: There are no true residential Lakefront Lots on Lake Arrowhead. Lots are considered Lakefront by ALA pursuant to a definition adopted by the ALA which provides that the term Lakefront lot is defined as a lot, the boundary of which is common to a boundary of property owned by ALA, commonly referred to as the reserve strip or buffer zone and excluding any property owned by ALA that is drainage property. Notwithstanding the foregoing definition, all lots on the peninsula (as described in Exhibit 2 of the Compromise and Settlement Agreement of 1964) are Lakefront lots. No lots in the Lakeside Resort, the Village or future divisions thereof, or any condominium or planned unit development now or in the future, are or shall be considered Lakefront lots. Moreover, should any lot meeting the foregoing definition of a Lakefront lot be thereafter divided, only one parcel of any such lot so divided shall thereafter be considered a Lakefront lot and such parcel so considered shall be determined at the discretion of the Board of Directors, provided however, that to qualify for determination as a Lakefront lot, any lot created after January 1, 1977 shall have a minimum of 10% of the perimeter of the lot common to the aforementioned ALA property. Buyer is advised and hereby acknowledges Pier Site easements will not be issued to owners of Lakefront lots by ALA without a survey and marking of the common property line and confirmation that the owner / buyer of the lot has actual knowledge of the location of that property line.

Arrowhead Lake Association (ALA) and Tenants: Tenants of residential property DO NOT HAVE LAKE RIGHTS. They may only use the lake and amenities if they are a guest of the property owner. The property owner is fully responsible for any damages and / or violations caused by his / her / its guests when said guests are present on ALA property or on Lake Arrowhead. Buyer is advised and hereby acknowledges that additional information and restrictions regarding Lake Arrowhead and membership in the ALA are available at www.ala-ca.org or by contacting ALA directly at (909) 337-2595

4. Arrowhead Villas: Arrowhead Villas is located outside the geographical area known as Arrowhead Woods. Arrowhead Villas property owners are not entitled to lake rights and cannot use the private lake for recreational use. Currently there is a building moratorium for new construction, and it is unknown when that will be lifted. Homes that have been destroyed by fire are able to rebuild. Arrowhead Villas does have an annual fee for Water Distribution, Trash Collection, Road Maintenance and Repair, and Snow Removal. Sewer is maintained and billed through Lake Arrowhead Community Service District (LACSD). There is not an HOA, nor fees associated with an HOA or CC&R's in this community. For more information about fees, rules and regulations go to www.avmsc.com or call (909) 337-4259 & LACDS go to www.lakearrowheadcsd.com or call (909) 336-7100.

5. Arrowhead Woods Architectural Committee (AWAC): Buyer is advised and hereby acknowledges that most properties located within the geographical area of the Arrowhead Woods are subject to and fall under the jurisdiction of the AWAC. Approval must first be obtained from AWAC before 1) any tree removal or trimming

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occurs, 2) any change, alteration or addition to the exterior appearance of an Arrowhead Woods property may be made. Such required approval includes, but is not limited to, new construction, remodeling, additions inside or outside of the building footprint (including storage sheds, carports, treehouses, pergolas, gazebos or any other structure), re-roofing, exterior paints or siding, solar panels, hardscape, installation, modification or repair of fencing, retaining walls, decks or patios. Non-compliance can lead to fines and damages. Buyer is advised and hereby acknowledges that complete information about the Arrowhead Woods Architectural Committee is also available at www.awac.biz or by contacting AWAC at (909) 336-2755.

6. Domestic Water Usage / Drought Conditions: Buyer is advised that during periods of drought, and water shortages, area water agencies may place restrictions or limitations on domestic water use and landscape watering. Buyer is aware that landscape watering restrictions may currently be in place and is advised to contact the local water company that services the property for specifics on restrictions. Additionally, any new water connections must be authorized by the same. Drought conditions also affect lake levels, which may hamper lake use, including all water activities, and may curtail lake access, launch and dock access.

7. Driving Conditions: Snow tires, chains, cables, or spiders on drive wheels may be required by the State Highway Patrol (chain control), the California Highway Patrol (CHP) or other authority. It is strongly advisable to carry such tire traction devices, and a shovel, in your vehicle throughout the winter season. The Highway Patrol may request that these apparatuses be applied for your safety as well as that of others. Buyer is also aware that the State of California may close the main highways during the most severe driving conditions, making it impossible to reach your mountain home. Some affected residents may be denied access to the mountain areas during such conditions.

8. Evacuations: Buyer is aware that it may become necessary when asked by law enforcement, forestry personnel, fire department authorities, other State or County Personnel, or Military, to evacuate due to dangerous or hazardous mountain conditions. These conditions may include, but are not limited to: fire, flood, snow, rain, or national crises. Prior to evacuating, residents should shut off utilities at their meters. Buyer is advised that prior to ordered evacuation, arrangements should be made to meet with family or friends at a pre-arranged location off the mountain. Buyer should be aware of which roads access the ingress and egress of our mountain area communities. These roads may be on the face of the mountain or on the backside of the mountain areas. Buyers need to become familiar with these roads to enable safe travel.

9. Fire Fee: The State of California has previously imposed a per parcel fee in improved properties located in state responsibility areas. It is currently not in effect. If it does go back into effect, however, homeowners will receive an annual bill.

10. Fire Regulations: Property owners are required to conform to stringent area fire abatement requirements, including, but not limited to: raking and removal of pine needles, standing brush, weeds, general refuse / debris, etc. from around any structures (or to your property line). Buyer is advised to confirm with San Bernardino County the exact requirements of clearance from structures. This must be completed by no later than June 1 of each year. Further, all debris must be removed from roof surfaces. Overhanging tree branches must be cut back from any chimney stack. Due to an increase in the number of dead and dying trees, fire danger in the local area will more than likely increase. A regulation spark arresting device must be in place on each chimney by the same date. Requirements are subject to change at any time. Yearly property inspections may be conducted by local fire agencies and / or code enforcement. Failure to comply with these (and / or other) regulations may lead to San Bernardino County sanctions against non-compliant property owners. The County of San Bernardino requires posting of all residential street addresses. (For more information please visit www.sbcfire.org)

11. Fireplaces: Buyer is advised to have their fireplaces and chimneys cleaned, and spark arresters checked and maintained on a periodic basis. This work should be performed by a chimney professional. Fireplaces in homes that have been vacant should be checked for nesting, or other obstructions in the chimney.

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12. Green Valley Lake: The private Green Valley Mutual Water Company provides water and operates the lake (Green Valley Lake Recreation). For more information call 909-867-2912, or go to www.gvlwater.org. Property owners are automatically shareholders. Shareholders can have their own boats on the lake for a fee and have discounted rates on beach and fishing passes. The Recreation website is www.green-valley-lake.com, or for fishing / stocking info go to www.gvlfishing.com. The Sewer System is operated by the County as a Special Services District (CSA 79). A separate bill is mailed bi-monthly. There is an Advisory Board of GVL Residents appointed by the shareholders at the annual shareholder's meeting.

13. Home Owners Associations: Buyer acknowledges there are several different HOA's and Property Management Companies in the Mountain Communities. Restrictions and Fees vary between the different locations. Buyer is advised to obtain a copy of CC&Rs, Rules & Regulations and all other pertinent documentation relative to the specific HOA and Management Company governing any property they are purchasing.

14. Insurance Disclosure: A home that is covered by homeowner's insurance today may not be insurable from the same insurance company or any other insurance company at the close of escrow. If an insurance company does offer coverage, it may not be at the same premium or terms as the expiring premium, and / or the coverage provided by the insurance policy may not be the same as the expiring policy. Most insurance companies offering homeowners insurance are using the services of the Comprehensive Loss Underwriting Exchange or CLUE report. This report is being used in underwriting not only the specific property, but also the buyer of the property. Insurers may deem the buyer or the property uninsurable based on the information in this report, or other underwriting guidelines. The Lake Arrowhead and surrounding areas have been evacuated due to forest fires. Accordingly, insurance rates and availability may be affected, and the Property may have insurance claims. Buyers are advised not to assume that the property is insurable or that the premium that the seller is paying for homeowner's insurance will be the premium that the new buyer will be paying. As early as possible in the transaction, the buyer is advised to seek homeowner's insurance coverage on the home to be purchased. Homes used for rentals (long or short term) may require special insurance. Real Estate Brokers are not qualified to advise on any type of insurance. **Buyer(s) acknowledge that they have been informed that it is their responsibility to obtain homeowner's insurance on the home they are purchasing and that they have not relied on any representations, express or implied, made by the Real Estate Brokers as to the availability of homeowner's insurance coverage.**

15. Insurance / Flood: Some areas in the Mountain Communities could require Buyer to obtain flood insurance in accordance with the FEMA flood maps. Buyer is advised to check with the insurance providers to ascertain if flood insurance is required on the property being purchased prior to close of escrow.

16. Lake Arrowhead Country Club / Lake Arrowhead Yacht Club ("LACC" and "LAYC" respectively): LACC and LAYC are private membership clubs, and are NOT open to the general public. For more information, call LACC (909) 337-2441 or LAYC (909) 337-0725.

17. Lake Gregory: Lake Gregory, located in the Crestline area, is a Regional Park which includes boating, fishing, parking and swimming in designated areas for fees. It is privately owned by The California Parks Company. They can be reached at (530) 529-1512, or by email at corporate@calparksco.com. Their website is www.calparksco.com. For more information on Lake Gregory activities go to www.lakegregoryrecreation.com.

18. Lake Levels: Buyer is advised and hereby acknowledges that all bodies of water in our area, including but not limited to: Lake Arrowhead, Lake Gregory, Grass Valley Lake, Green Valley Lake and Arrowbear Lake are man-made and may be subject to water fluctuations dependent upon natural conditions and / or user demand. Buyer is further advised that during drought conditions, or low water levels, these conditions may curtail access / use of docks and facilities. Low lake levels may cause damage to docks, dock related facilities, and boats, if the owners of these amenities do not take proper precautions. Owners of docks, dock related facilities, and boats are responsible for any and all damage that may occur to docks, dock related facilities, and boats.

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19. Mail Delivery: Door-to-door mail delivery is not provided in the mountain communities. Postal Service delivery is accomplished using Post Office Boxes located at various community Post Offices. Collection of mail is the responsibility of the box holder. Property owners may subscribe to a private postal service, which provides mail delivery and collection of mail from home, for a fee. Buyer is advised that during inclement weather or other limiting conditions, postal trucks may not be able to deliver mail to the respective Post Offices in a timely manner.

20. Medical Services: Buyer is advised that local medical services are provided by various independent health care professionals and Mountains Community Hospital. These services are subject to curtailment or may be discontinued at any time in the future, without prior notification. Property owners within the hospital service area may be subject to a mandatory fee or assessment on behalf of that facility. Persons suffering from cardiac / respiratory diseases or conditions may experience increased sensitivity, complications or discomfort because of the increased mountain altitudes. Such persons would be well advised to consult a physician before visiting or moving to this area.

21. National Forest: Some property boundary lines are contiguous to National Forest areas. Visitors to the National Forest may have use of 4-wheel drive vehicles, mountain bikes, motorcycles, SUV's, all-terrain vehicles, and other vehicles which may cause noise, dust, pollution and play havoc on the area. Visitors to the area may also camp, subject to obtaining required permits, including but not limited to; annual or day passes, hiking passes, adventure passes, and fire permits. National Forests are tracts of land owned by the U.S. Government. These tracts may, from time to time, be sold to private ownership and may be developed when such sales occur. In the event Buyer is purchasing a property which is contiguous to or near a National Forest, and that fact is influencing Buyer to buy that particular property, there is no assurance the forested area will remain in the hands of the U.S. Government and hence remain an undeveloped area. Adventure passes are required to access certain National Forest Service facilities and may be obtained at select local retail locations and at the San Bernardino County Rangers Station office at 602 South Tippecanoe, San Bernardino, CA 92408 and can be reached at (909) 382-2600.

22. Natural Habitat: The mountain community areas are the natural habitat of several species of dangerous, destructive, and / or annoying wildlife including but not limited to; bears, mountain lions, bobcats, coyotes, deer, bats, skunks, squirrels, moles, gophers, blue jays, wood-peckers, ants, snakes, lizards, insects, mosquitoes, ticks, flies, beetles, ladybugs, spiders, bees, wasps, termites, etc.

23. Noise Levels: The mountain community areas are a resort vacation destination. Traffic and visitor activity tend to increase during weekends and holidays. Lake and recreational activities may begin as early as 7:00 AM, resulting in significant noise. Noise levels that may bother one person may not bother another person. Buyer is advised that they should satisfy themselves regarding acceptable noise levels as part of their diligence process. Proximity of schools, entertainment venues, commercial sites, flight patterns or other permitted users may affect noise levels.

24. Parolees: Listing and Selling Brokers hereby inform Buyer that law enforcement agencies have information regarding persons required to register for a conviction of various crimes. Listing and Selling Brokers strongly urge Buyer to obtain such information prior to the close of escrow. If Buyer wants such information, the Buyer shall hereby assume the responsibility to contact the appropriate law enforcement agency to obtain such information. Listing and Selling Brokers make no warranty or representation as to the accuracy of this information.

25. Pets: Winter weather conditions such as cold, wind, snow and ice occur in the San Bernardino Mountains. Buyer is strongly advised to provide covered shelter with blankets for outside domestic pets. All dogs within the San Bernardino Mountains should never leave a property without being on a leash, or under the control of the owner. Be mindful of small pets with wildlife.

26. Plans and Permits: Buyers and Sellers are advised to check with San Bernardino County Planning Department regarding all permits on structures within the scope of this purchase or sale.

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27. Private or US Forest Service "Leased Land": Certain local areas or sections thereof involve "Leased Land", either privately held or owned by the U.S. Forest Service. Buyer acknowledges it is his / her responsibility to thoroughly investigate and satisfy themselves as to any restrictions and / or fees that may be associated with these properties.

28. Property Taxes: California property tax law requires the County Assessor to re-assess the value of real property at the time of title transfer (or when said county is made aware of the new property owner). The San Bernardino County Assessor may take up to nine (9) months to provide notice of said property assessment.

28A. New Assessed Property Value: When a property changes ownership, a new assessed value will be used in determining your property taxes. If you have any questions regarding the New Assessed Property Value, please contact the Assessor at www.mytaxcollector.com or by phone at (909) 387-8307. You may estimate the amount of your new taxes on this website by electing "New Homeowner Information" under the Tax Collector tab.

29. Roads: Buyer is advised and hereby acknowledges that some common roads in the immediate area are NOT maintained, repaired, or have snow removed by the County of San Bernardino road maintenance department(s), the State of California road maintenance department(s) or any other governmental road maintenance department(s). Buyer is urged to satisfy themselves as to how any road(s) is / are maintained, repaired or snow plowed. Brokers make no warranty or representation as to whether any road has maintenance or snow removal by any private individual or public entity. Buyer is advised and hereby acknowledges that some roads in the area are subject to a private road maintenance agreement which has been entered into in lieu of or in addition to County or State of California maintenance. Many mountain area properties offer little or no off-street parking or vehicle storage facilities. On-street parking may be restricted or prohibited in heavy snow conditions. Buyer is also advised that during heavy snow or rain conditions, traffic may be delayed due to road washouts, rock slides, equipment breakdown, fallen trees, or the time needed for such snow, rocks, or tree, to be removed, or repairs to be made. Buyer is further advised that primary roads, highways, and Interstates take priority over all secondary roads during heavy snow or rain conditions. Some areas may be part of a special services district and / or association, which may be subject to fees or assessments to cover services provided. Quality and frequency of snowplowing and road maintenance may vary. Listing and Selling Brokers make no warranty or representation as to whether any road has adequate maintenance or snow removal, or control over County, State or local agencies regarding road closures.

30. Roofing Ordinance: There is a San Bernardino County Ordinance that went into effect January 1, 2009. As of July 1, 2016, all properties within San Bernardino County Fire Safety Zones are required to be in compliance with the roofing ordinance, which requires that roof coverings be either non-combustible or shall be fire retardant material not composed of organic fiber with a minimum Class A rating.

31. School Busing: Most school children are bused to and from school at an additional annual cost-per student. It is the Buyer's responsibility to determine to his or her satisfaction, the cost of busing and identify the current bus stops to verify the convenience and suitability of these locations. During snow conditions, schools may close early, and children will arrive home earlier than anticipated or they may arrive home later than usual due to road conditions. Parents are advised to plan to have someone available (on call) for the safety and well-being of their children, so they are not left unattended. Buyers are urged to check the Rim of The World School District (909) 336-2031 or emergency information and homework hotline (909) 336-4160 regarding snow day attendance and other local district policies.

32. Sewer Fees: All properties currently connected to sewers are subject to sewer fees. These charges are subject to change at any time. Buyer should contact the sanitation district office with jurisdiction over the subject property to determine current fees. Many properties located outside of Arrowhead Woods may not be connected to or have access to sewers. Such properties may utilize a cesspool, septic system, holding tank or other private waste control system. Properties currently not connected to sewer MAY be required to connect to a sewer system at a significant cost to the owner of record. If a sewer line is available to a currently unconnected property (at the time of a sale or

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transfer of title), connection may be mandatory, at owner's cost. Buyer and Seller are advised to check with San Bernardino County Department of Environmental Health.

33. Short Term Private Property Rentals: Buyer is advised that a County ordinance is in effect that requires any owner renting a home, cabin, or other private residence for a period of 30 days or less to have the residence inspected by a code enforcement officer and to obtain the proper permit. A copy of the ordinance is available at <http://cms.sbcounty.gov/lus/Home.aspx>.

34. Smiley Park: Located in Running Springs, Smiley Park lots are on leased land. Buyer and Seller are advised to personally investigate information and satisfy themselves regarding the leasehold. For more information go to www.smileyparkcc.com or call 909-867-3936.

35. Smog / Pollution: All local mountain resort communities may experience degrees of smog and air pollution, depending upon weather conditions and patterns. These conditions usually occur during the warmer summer months. Frequency and degree of the air pollution episodes are dependent upon factors including, but not limited to; traffic density, prevailing winds, weather conditions, inversion layers, etc. For current air quality information in your zip code go to www.aqmd.gov.

36. Southern-Exposed Homes: Buyer is hereby advised that some southern-exposed homes, and those on the "Rim" may be exposed to an increase of weather conditions from the south, such as wind, sun, snow, and water intrusion. Such conditions may cause; drafts, rattling windows and doors, faded or wet carpeting, faded or wet drapery, and may be harsh on furnishings. Buyer is further advised that southern-exposed homes require continual maintenance of the exterior. Painting, caulking and repair or weather stripping may be required more frequently on the exterior due to these conditions.

37. Television / DSL / Telephone / Cellular Phones: Most mountain community areas require use of some cable / line signal device to receive adequate reception. Cable television and satellite fees vary according to services selected. Buyer acknowledges and understands that during certain times there may be outages / dead areas or DSL reception problems due to weather or transmission difficulties. Not all mountain properties have access to DSL, cable or satellite service.

38. Trash Collection: Trash collection for the mountain area is mandatory for all residents whether part time or full time. Mountain Disposal (909) 337-0678 provides three (3) options for trash collection: 1.) Curbside; 2.) Collection Sites; and 3.) Dump services are available to mountain residents.

39. Treatment / Recovery Facilities: Listing and Selling Brokers hereby inform Buyer that various state and county agencies have information regarding type, size, and locations of treatment facilities within the State of California. Listing and Selling Brokers strongly urge Buyer to obtain such information prior to close of escrow. For more information, contact the Director of the California State Department of Alcohol and Drug Program, 1700 K Street, 2nd Floor, Sacramento, CA 95811-4037; (916)445-1943; Email: askadp@adp.ca.gov. Listing and Selling Brokers make no warranty or representation as to the accuracy of this information.

40. Trees, Foliage, Shrubs and Flowers: Buyer is advised that during spring and summer seasons there is an abundance of pollen in our mountain areas. This can play havoc on allergies / asthma / respiratory conditions. Sensitivity to these conditions may increase during certain seasonal periods throughout the year. These increased conditions are influenced by, but are not limited to, such considerations as wind, high pollen levels, air pollution, etc. Also found in the area is poison oak, poison sumac, stinging nettles, and a variety of other plants and foliage which can cause severe reactions. Buyer is informed that some trees on the subject property may need evaluation by a horticulturist to determine their condition and health. Buyer is advised to have all dead and dying trees evaluated. Due to an increase in the number of dead and dying trees, fire danger in the local area will more than likely increase. Drought conditions may distress and/or kill many trees located on or near the subject property.

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During periods of distress, the bark beetle may attack, causing damage or death to the affected trees. Buyers and Sellers are advised to consult with a tree horticultural professional to determine any prospective risks or existing conditions which may lead to tree loss. The San Bernardino County Fire Marshall had ordered that all property owners neglecting to remove dead or dying trees, which pose a danger will be cited.

41. Unincorporated Areas: Most mountain resort communities are not currently incorporated areas. There are no "cities" as such. Primary governmental services (fire, police, road maintenance, etc.) are provided by the San Bernardino County and/or the State of California under the direction of elected or appointed officials and related employees.

42. Values/Resale: Mountain resort area property values and resale demand are subject to fluctuation, as is the case with all real property. Factors influencing such fluctuation include, but are not limited to: weather condition, local conditions, national/international crises or economic trends, interest rates, inventory supply, energy prices, etc. Listing and Selling Brokers provide no representation or warranty, implied or expressed, relating to future property values or resale demand projections for mountain resort properties.

43. Waiver of Inspections: In the event Buyer elects to purchase any property without a Professional Inspection, Buyer is acting against the advice and recommendation of both the Listing and Selling Brokers. Concerning those inspections and/or reports not obtained by Buyer, Buyer agrees he/she will assume all liability and responsibility for conducting his/her own independent investigation of the subject property. Buyer acknowledges he/she has voluntarily decided to engage in this transaction, based upon Buyers own independent investigation of the subject property. Buyer further acknowledges that physical conditions may exist relating to the property, which are unknown but may have been discovered/disclosed by inspections and/or inspection reports including, but not limited to: Home Inspection, Home Systems Inspection, Mold/Mildew Conditions Inspection, Roof Condition Inspection, Pool/Spa Inspection, and Chimney Inspection.

44. Water Companies & Mutual Water Company Stocks/Shares: Buyer is advised that there may or may not be mutual water company shares or stocks included in the price of the property, that are transferred through escrow. Buyer may need to negotiate with Seller for the purchase of said shares or stocks. Lake Arrowhead Community Services District (LACSD), or other water companies who service the mountain areas, may elect to impose restrictions/limitations on domestic water use and landscape watering during periods of drought. Buyer is advised to contact your local water company that is specific to your property.

45. Weather Conditions: The mountain community areas are subject to severe weather conditions including snow, ice, hail, rain, sleet, white-outs, dense fog, high winds, thunderstorms, road conditions/closures and freezing temperatures. These conditions result in a variety of hazards, which may result in "slip and fall" accidents, dangerous driving conditions, and difficulty in commuting to and from the mountain community areas.

Home Conditions: Buyer is advised that living in the mountains may not be like any area from which they are previously familiar with. Buyer is advised of seasonal considerations which may include, but are not limited to:

A. Buyer is advised that during these winter conditions, plumbing pipes, inside and outside, should be drained and receptacles winterized against any possible freezing, by a qualified professional. It is not advisable to use anti-freeze in interior plumbing/fixtures due to possible damage to septic systems and/or toxic fumes.

B. Ice storms occasionally occur, causing downed trees, limbs, and branches. Buyer is advised that during these conditions, damage to your home, power lines, vehicles, and persons may occur.

C. Structures constructed prior to 1980, unless updated/upgraded, are not likely to meet current insulation and heat efficiency standards. This factor may lead to higher heating expenses, depending on usage.

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D. It is advisable to seal off access doors, air vents and cracks, but not in furnace or water heater areas. It is important to know where your master water shut-off is located.

INFORMATION MAY NOT BE RELIABLE AND MUST BE INDEPENDENTLY VERIFIED

It is recommended that new purchasers rely on their own qualified professionals to obtain advice as to how best maintain their specific property.

Buyer(s) and Seller(s) acknowledge receipt of pages 1-9 of this Mountain Community Advisory.

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Buyer: _____	_____	Date: _____
Buyer: _____	_____	Date: _____
Buyer: _____	_____	Date: _____
Buyer: _____	_____	Date: _____
Seller: <u>Matthew L. Taylor, Partition Referee</u>		Date: <u>2/24/26</u>
Seller: _____	_____	Date: _____
Seller: _____	_____	Date: _____
Seller: _____	_____	Date: _____

Firm Name: _____

Buyer's Agent: _____ Date: _____

Firm Name: GS Strategies, Inc.

Seller's Agent: John B. Martindale  Date: 02/24/2026

Buyer(s) and Seller(s) acknowledge reading and receipt

Buyer(s) (____) (____) (____) (____) Seller(s) (____) (____) (____) (____)



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ADDITIONAL BROKER ACKNOWLEDGEMENT AND ADDENDUM

(C.A.R. Form ABA, Revised 6/23)

This is an addendum to the Listing Agreement, OR ☐ Purchase Agreement, ☐ Buyer Representation Agreement, ☐ Other _____
dated 02/17/2026, between Matthew L. Taylor, Partition Referee ("Agreement"),
and GS Strategies Inc. ("Seller or Buyer")
if applicable, for the property described as: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352

1. LISTING AGREEMENT (fill out this section if applicable, as indicated above):

GS Strategies Inc. (Broker 1) and Real Brokerage Technologies (Broker 2)
are Co-listing Brokers under the Listing Agreement identified above and agree to share responsibility and compensation for the representation of Seller as follows:

A. Compensation Breakdown: C.A.R. Form ADM No.1 to the C.A.R. Form ABA

B. Equally and jointly share responsibility, OR ☐

C. ☒ On the terms of the attached agreement.

2. BUYER REPRESENTATION AGREEMENT (fill out this section if applicable, as indicated above):

_____ (Broker 1) and _____ (Broker 2)
are Co-Buyer Brokers under the Buyer Representation Agreement identified above and agree to share responsibility and compensation for the representation of Buyer as follows:

A. Compensation Breakdown: _____

B. Equally and jointly share responsibility, OR ☐

C. ☐ On the terms of the attached agreement.

3. PURCHASE AGREEMENT/OTHER (fill out this section if applicable, as indicated above):

Check **ONE** box **ONLY**. If more than one applies, use separate forms for each.

A. ☒ Multiple Brokers Representing Seller:

GS Strategies Inc. (Broker 1) and Real Brokerage Technologies (Broker 2)
are parties to a Residential Listing Agreement, ☐ Other _____ dated 02/17/2026
in which they have agreed to share responsibility and compensation for the representation of Seller.

OR B. ☐ Multiple Brokers Representing Buyer:

_____ (Broker 1) and _____ (Broker 2)
are real estate brokers who have entered into an agreement to share responsibility and compensation for the representation of Buyer.

4. Agent for Broker 1: John B. Martindale

Agent for Broker 2: Angelique Koster

DocuSigned by:

DRE Lic. # 01155188

DRE Lic. # 01499180

☐ Activity under the license of Broker 1 or Broker 2 or both as applicable will be conducted by multiple associate licensees, partners or teams as indicated on the attached Additional Agent Acknowledgement form(s) (C.A.R. Form AAA).

5. By signing below, all parties understand, acknowledge and agree that, wherever the name of either Broker 1 or Broker 2, as applicable, is indicated in the Agreement or related documents, as a representative for the Buyer or Seller specified in 1, 2 or 3 above, the other Broker shall also be deemed to be named. Buyer signatures are not necessary if only **paragraph 1** of this form is completed. Seller signatures are not necessary if only **paragraph 2** of this form is completed.

Real Estate Broker (Broker 1) GS Strategies Inc. DRE Lic. # 01994873
By (Broker/Office Manager) John B. Martindale John B. Martindale DRE Lic. # 01155188 Date 02/24/2026
Real Estate Broker (Broker 2) Real Brokerage Technologies DRE Lic. # 02022092
By (Broker/Office Manager) Rachel Stalnaker Rachel Stalnaker DRE Lic. # 01775213 Date 2/23/2026
Seller Matthew L. Taylor, Partition Referee Date 2-24-26
Seller _____ Date _____
Buyer _____ Date _____
Buyer _____ Date _____

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GS Strategies, Inc., 550 E Hospitality Lane Ste 300 San Bernardino CA 92408 Phone: 9092285255 Fax: 971 Nadelhorn Dr.
John Martindale Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwlf.com



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BROKER COMPENSATION ADVISORY

(C.A.R. Form BCA, Revised 6/25)

1. WHEN SELLERS LIST THEIR PROPERTY FOR SALE THROUGH A REAL ESTATE BROKER THEY AGREE TO PAY THE SELLER'S BROKER WHEN ESCROW CLOSES.

- A. LISTING AGREEMENT COMPENSATION IS FULLY NEGOTIABLE:** When a seller enters into a listing agreement with a broker, the seller authorizes the broker to find a buyer for the seller's property and agrees to pay the seller's broker if a buyer is found who purchases the property. Compensation amounts are not fixed by law and are fully negotiable between the seller and the seller's broker. When negotiating compensation, the parties may discuss factors such as the broker's expertise and experience, the type of broker services to be performed, and the broker's time and expenses, among other considerations.
- B. OPTIONAL ADDITIONAL COMPENSATION IF BUYER IS UNREPRESENTED:** A listing agreement may include optional additional compensation amounts owed to the seller's broker for situations where the broker takes on additional responsibilities or workload. Sometimes a buyer may not be working with nor want to be represented by a real estate broker. When that happens, the seller's broker is not required to represent the buyer, and the seller and seller's broker may decide that they do not want to create such a relationship. In those situations, the seller's broker is advised to use a Buyer Non-Agency (C.A.R. Form BNA) to inform the buyer that the seller's broker will be acting on behalf of the seller only, and not act as the buyer's agent, throughout the transaction. However, because the buyer is unrepresented, the seller's agent will inevitably have to do more work to facilitate the transaction. A seller may agree to compensate their broker for the additional work in such cases.
- C. BROKER MAY REPRESENT BOTH BUYER AND SELLER; DUAL AGENCY:** California law allows a brokerage company to represent both seller and buyer in a real estate transaction. At the time the agent, on behalf of a brokerage, obtains the signature of a seller on a listing agreement, the agent will not, in most cases, know who the eventual buyer will be for a seller's property. Similarly, at the time an agent, on behalf of a brokerage, obtains the signature of a buyer on a buyer representation agreement, the agent will not, in most cases, know who the eventual seller will be for a property the buyer wants to buy. Because many individual licensees may work through one brokerage company, and some individual licensees work with many buyers and sellers, there is a possibility that the same brokerage company will represent both buyer and seller in a transaction. If licensees working through broker represent both seller and buyer, broker is allowed to receive compensation from each, provided the seller and buyer are advised of the relationship and the total amount of compensation the broker will receive.

2. BROKER AGREEMENTS WITH BUYERS:

- A. BUYER REPRESENTATION COMPENSATION IS FULLY NEGOTIABLE:** When a buyer enters into a representation agreement with a broker, the buyer authorizes the broker to locate properties for the buyer to buy and agrees to pay the buyer's broker if a transaction is completed. Compensation amounts are not fixed by law and are fully negotiable. When negotiating compensation, the parties may discuss factors such as the broker's expertise and experience, the type of broker services to be performed, and the broker's time and expenses, among other considerations.
- B. REQUIREMENT FOR WRITTEN AGREEMENTS:** Pursuant to a nationwide class action settlement reached by the National Association of REALTORS® (NAR), participants in Multiple Listing Services are required to have a written agreement with a buyer prior to showing a buyer a residential property or giving a buyer a tour of such a property. The agreement must identify the amount of compensation to be paid to the broker for services provided and require that the broker cannot receive any compensation in excess of the amount specified in the agreement. Pursuant to a January 1, 2025 new law in California, all licensees must have a buyer representation agreement as soon as practicable upon acting as the buyer's agent, and it must include the amount of compensation, services to be rendered, when compensation is due, and the contract termination, which may not exceed three months.
- C. ADVANTAGES OF WRITTEN AGREEMENTS:** Buyers and their brokers benefit when the terms of their relationship and respective duties are in writing. A written agreement establishes clear, mutual expectations and helps avoid misunderstandings over the buyer and broker's duties and the amount of compensation the buyer's agent is to be paid.



3. WHEN ENLISTING A REAL ESTATE BROKER TO REPRESENT THEM, BUYERS AGREE TO PAY THE BUYER'S BROKER WHEN ESCROW CLOSES, BUT THE PERSON RESPONSIBLE FOR PAYMENT MAY BE NEGOTIATED IN THE TRANSACTION:

A. BUYER PAYS THE COMPENSATION PURSUANT TO A BUYER REPRESENTATION AGREEMENT:

A buyer's broker may negotiate the amount of compensation directly with the Buyer and then document that agreement in a buyer representation agreement (C.A.R. Form BRBC or PSRA). The buyer then becomes contractually obligated to pay the broker by providing funds to escrow prior to the closing of a transaction.

B. SELLER PAYS THE COMPENSATION:

(1) **Buyer negotiates for Seller to Compensate Buyer's Broker:** A buyer may make a conditional offer to the seller by including a term in the purchase offer asking the seller to pay the buyer's broker if the buyer has already agreed to pay their own broker pursuant to a buyer representation agreement. If such a term is included in the purchase offer, the request will become one term among many that a seller may accept, reject, or negotiate by way of a counter offer. The possibility of asking the seller to pay the buyer's contractual compensation obligation option should be discussed when creating a buyer representation agreement and prior to an offer being made. Pursuant to the NAR Settlement (see paragraph 2B) a buyer's broker is not permitted to receive compensation for services, from whatever source, that is greater than the amount in the buyer representation agreement.

(2) **Buyer's Agent negotiates an agreement directly with Seller:** If a seller is unrepresented or does not have an exclusive agency relationship with another broker, a buyer's broker may approach that seller asking the seller to sign an agreement (C.A.R. Form SP, Single Party Compensation Agreement) to pay the buyer's broker. In this situation, the seller agrees to pay the buyer's broker compensation without necessarily creating an agency relationship with the broker. When that happens, the buyer's broker is advised to use a Seller Non-Agency (C.A.R. Form SNA) to inform the seller that the buyer's broker will be acting on behalf of the buyer only, and not act as the seller's agent, throughout the transaction. However, because the seller is unrepresented, the buyer's agent will inevitably have to do more work to facilitate the transaction, which may be factored into the negotiation of the single party compensation agreement.

C. CHANGING PRACTICE RELATED TO A SELLER'S BROKER'S OFFER OF COMPENSATION:

Historically, in California, many seller's brokers used a Multiple Listing Service (MLS) to make a unilateral offer to compensate a buyer's broker who procured a buyer for the seller's property. However, the nationwide NAR settlement prohibits the seller's broker from using an MLS to make such an offer of compensation. The California Association of REALTORS® (C.A.R.) listing agreement forms no longer provide for such offers of cooperating broker compensation nor does C.A.R. include other forms in its library of forms that might facilitate such offers. Buyers and sellers must separately negotiate compensation with their respective brokers, as specified above.

By signing below, Seller or Buyer acknowledge that they have received a copy of this Broker Compensation Advisory, and they have read and understand its terms. Seller or Buyer acknowledges they have been advised of their various options regarding compensation to be paid to real estate brokers and that any written agreement they have signed with a seller's or buyer's broker reflects a mutual understanding.

Seller/Buyer Matthew L. Taylor, Partition Referee Date 2-24-26
 Seller/Buyer _____ Date _____

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MARKET CONDITIONS ADVISORY

(C.A.R. Form MCA, Revised 6/24)

1. **MARKET CONDITIONS:** Real estate markets are cyclical and can change over time. It is impossible to predict future market conditions with accuracy. In a competitive or "hot" real estate market, there are generally more Buyers than Sellers. This will often lead to multiple buyers competing for the same property. As a result, in order to make their offers more attractive, some Buyers may offer more than originally planned or eliminate certain contingencies in their offers. In a less competitive or "cool" market there are generally more Sellers than Buyers, often causing real estate prices to level off or drop, sometimes precipitously. The sales price of homes being sold as foreclosures and short sales is difficult to anticipate and can affect the value of other homes in the area. Brokers, appraisers, Sellers and Buyers take these "distressed" property sales and listings into consideration when valuing property. In light of the real estate market's cyclical nature it is important that Buyers understand the potential for little or no appreciation in value, or an actual loss in value, of the property they purchase. This Advisory discusses some of the potential risks inherent in changing market conditions.
2. **BUYER CONSIDERATIONS:**
 - A. **OFFERING PRICE:** AS A BUYER, YOU ARE RESPONSIBLE FOR DETERMINING THE PRICE YOU WANT TO OFFER FOR A PROPERTY. Although Brokers may provide you with comparable sales data, generally from information published in the local multiple listing service, you should know that the reporting of this data is often delayed and prices may change, up or down, faster than reported sales indicate. All buyers should be sure they are comfortable with the price they are offering or the price they are accepting in a counter offer. You should be aware of and think about the following: (i) If your offer is accepted, the property's value may not increase and may even decrease. (ii) If your offer is accepted, you may have "Buyer's remorse" that you paid too much. (iii) If your offer is rejected there can be no guarantee that you will find a similar property at the same price. (iv) If your offer is rejected, you may not be satisfied that the amount you offered was right for you. Only you can determine that your offer was reasonable and prudent in light of the property and your circumstances.
 - B. **NON-CONTINGENT OFFERS:** Most residential purchase agreements contain contingencies allowing a Buyer within a specified period of time to cancel a purchase if: (i) the Buyer cannot obtain a loan; (ii) if the property does not appraise at a certain value; (iii) if the Buyer is dissatisfied with the property's condition after an inspection; (iv) if an insurance policy cannot be obtained for an acceptable cost; or (v) for any other contingency within the purchase agreement. To make their offers more attractive, Buyers will sometimes write offers with few or no contingencies or offer to remove contingencies within a short period of time. In a "hot" market, sellers will sometimes insist that Buyers write offers with no contingencies. Broker recommends that Buyers do not write non-contingent offers and if you do so, you are acting against Broker's advice. However, if you do write a non-contingent offer these are some of the contractual rights you may be giving up:
 - (1) **LOAN CONTINGENCY:** If you give up your loan contingency, and you cannot obtain a loan, whether through your fault or the fault of your lender, and as a result, you do not or cannot purchase the property, you may legally be in default under the contract and required to pay damages or forfeit your deposit to the seller.
 - (2) **APPRAISAL CONTINGENCY:** If your lender's (or your own) appraiser does not believe the property is worth what you have agreed to pay for it, your lender may not loan the full amount needed for the purchase or may not loan any amount at all because of a low appraisal. As a result, if you do not purchase the property, and you have removed your appraisal contingency, you may legally be in default under the contract and could be required to pay damages to, or forfeit your deposit to, the Seller. The Seller is not obligated to reduce the purchase price to match the appraised value.
 - (3) **INVESTIGATION CONTINGENCY:** If you disapprove of the condition of the property and as a result, you do not purchase the property, you may legally be in default under the contract and required to pay damages to, or forfeit your deposit to, the Seller if you have removed your investigation contingency. However, even if you make an offer without an investigation contingency or you remove that contingency, the Seller may still be obligated to disclose to you material facts about the property. In some cases, once you receive that information the law gives you an independent right to cancel for a limited period of time.



(4) INSURANCE CONTINGENCY: If you cannot obtain insurance or disapprove of the cost, and you do not purchase the property, you may legally be in default under the contract and required to pay damages to, or forfeit your deposit to, the Seller if you have removed your insurance contingency.

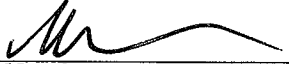
There is inherent risk in writing a non-contingent offer. Only you, after careful consultation and deliberation with your attorney, accountant, or financial advisor can decide how much risk you are willing to take. IT IS YOUR DECISION ALONE AND CANNOT BE MADE BY YOUR BROKER OR REAL ESTATE AGENT.

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

D. MULTIPLE OFFERS: At times Buyers may write offers on more than one property even though the Buyer intends to purchase only one. This may occur in a short sale when the approval process can take a considerable amount of time, or it could also occur in a hot market when the Buyer is having difficulty getting an offer accepted. While it is not illegal to make offers on multiple properties with intent to purchase only one, the Buyer can be obligated to many Sellers if more than one accepts the Buyer's offers. Additionally, if any offer is accepted without contingencies, and the buyer does not perform, there can be a breach. If the Buyer has not disclosed that the Buyer is writing multiple offers with the intent to purchase only one and the Buyer subsequently cancels without using a contingency created for this purpose, the Seller may claim the Buyer is in breach of contract because the Buyer fraudulently induced the Seller to enter into a contract. This claim may even be possible when the Buyer has all the standard contingencies remaining in the contract, as the Seller could argue that a cancellation for this reason would not fall under the good faith exercise of any of those contingencies.

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

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

Buyer	_____	Date	_____
Buyer	_____	Date	_____
Seller	 Matthew L. Taylor, Partition Referee	Date	2-24-26
Seller	_____	Date	_____

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STATEWIDE BUYER AND SELLER ADVISORY
(This Form Does Not Replace Local Condition Disclosures.
Additional Advisories or Disclosures May Be Attached)
(C.A.R. Form SBSA, Revised 6/24)

BUYER RIGHTS AND DUTIES:

- The physical condition of the land and improvements being purchased are not guaranteed by Seller or Brokers.
- You should conduct thorough investigations of the Property both personally and with appropriate professionals.
- If professionals recommend further inspections, you should contact qualified experts to conduct such inspections.
- You should retain your own professional even if Seller or Broker has provided you with existing reports.
- You should read all written reports given to you and discuss those reports with the persons who prepared them. It is possible that different reports provided to you contain conflicting information. If there are discrepancies between reports, disclosures or other information, you are responsible for contacting appropriate professionals to confirm the accuracy or correctness of the reports, disclosures or information.
- You have the right to request that the Seller make repairs or corrections or take other actions based on inspections or disclosures, but the Seller is not obligated to respond to you or make any such repairs, corrections or other requested actions.
- If the Seller is unwilling or unable to satisfy your requests, and you act within certain time periods, you may have the right to cancel the Agreement (the Purchase Agreement and any Counter Offer and Addenda together are the "Agreement"). If you cancel outside of these periods, you may be in breach of the Agreement and your deposit might be at risk.

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

SELLER RIGHTS AND DUTIES:

- You have a duty to disclose material facts known to you that affect the value or desirability of the Property.
- You are obligated to make the Property available to the Buyer and have utilities on for inspections as allowed by the Agreement.
- This form is not a substitute for completing a Real Estate Transfer Disclosure Statement, if required, and any other property-specific questionnaires or disclosures.

BROKER RIGHTS AND DUTIES:

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

LEGAL, TAX AND CONTRACT CONSIDERATIONS FOR BOTH BUYER AND SELLER:

- You are advised to seek legal, tax, and other assistance from appropriate professionals in order to fully understand the implications of any documents or actions during the transaction. You should contact a CPA or tax attorney to determine (i) the basis of the property for income tax purposes; and (ii) any calculations necessary to determine if a sale, and what price, would result in any capital gains taxes that may need to be reported to State and Federal taxing agencies. In addition, you should consult with the CPA or tax attorney regarding what factors affect how the property tax basis is determined. If you are doing a 1031 exchange, you are advised to contact an exchange accommodator to discuss the proper method and timing of the exchange.
- The terms of the Agreement and any counter offers and addenda establish your rights and responsibilities to each other.

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SBSA REVISED 6/24 (PAGE 1 OF 15)



STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 1 OF 15)

GS Strategies, Inc., 550 E Hospitality Lane Ste 300 San Bernardino CA 92408
John Martindale

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Fax:

971 Nadelhorn Dr.

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A. Investigation of Physical Conditions

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



2. **ENVIRONMENTAL HAZARDS:** Buyer and Seller are advised that the presence of certain kinds of organisms, toxins and contaminants, including, but not limited to, mold (airborne, toxic or otherwise), fungi, mildew, lead-based paint and other lead contamination, asbestos, formaldehyde, radon, PCB's, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, urea formaldehyde, or other materials may adversely affect the Property and the health of individuals who live on or work at the property as well as pets. Some municipalities may impose additional requirements regarding underground storage tanks, which may be more common in certain areas and cities throughout the State, especially where there are larger, older homes built before 1935. It is possible that these tanks, either now or in the future, may require inspections or abatement. If Buyer wants further information, Buyer is advised, and Broker(s) recommends, that Buyer have the Property inspected for the existence of such conditions and organisms, and conditions that may lead to their formation. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Buyer is also advised to consult with appropriate experts regarding this topic during Buyer's inspection contingency period. Broker recommends that Buyer and Seller read the booklets titled, "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants," and "Protect Your Family From Lead In Your Home." Brokers do not have expertise in this area.
3. **FORMALDEHYDE:** Formaldehyde is a substance known to the State of California to cause cancer. Exposure to formaldehyde may be caused by materials used in the construction of homes. The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of select homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes that were tested. Formaldehyde is present in the air because it is emitted by a variety of building materials and home products used in construction. The materials include carpeting, pressed wood products, insulation, plastics, and glues. Most homes that have been tested elsewhere do contain formaldehyde, although the concentrations vary from home to home with no obvious explanation for the differences. One of the problems is that many suppliers of building materials and home products do not provide information on chemical ingredients to builders. Buyers may have further questions about these issues. Buyer is advised to consult with appropriate experts regarding this topic during Buyer's inspection contingency period. Broker(s) recommend that Buyer and Seller read the booklet titled "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and Tenants." Brokers do not have expertise in this area.
4. **GEOLOGIC HAZARDS:** Buyer and Seller are advised that California has experienced earthquakes in the past, and there is always a potential of future earthquakes. Damage caused by an earthquake may not be discoverable by a visual inspection of Buyer(s) or Broker(s). Inspection by a licensed, qualified professional is strongly recommended to determine the structural integrity and safety of all structures and improvements on the Property. If the Property is a condominium, or located in a planned unit development or in a common interest subdivision, Buyer is advised to contact the homeowners association about earthquake repairs and retrofit work and the possibility of an increased or special assessment to defray the costs of earthquake repairs or retrofit work. Buyer is encouraged to obtain and read the booklet entitled, "The Homeowner's Guide to Earthquake Safety." In most cases a questionnaire within the booklet must be completed by Seller and the entire booklet given to the Buyer if the Property was built prior to 1960. If the Property was built before 1975, and contains structures constructed of masonry or precast (tilt up) concrete walls, with wood frame floors or roof, or if the building has unreinforced masonry walls, then Seller must provide Buyer a pamphlet entitled "The Commercial Property Owner's Guide to Earthquake Safety." Many areas have a wide range of geologic problems and numerous studies have been made of these conditions. Some of this information is available for public review at city and county planning departments. Buyer is encouraged to review the public maps and reports and/or obtain a geologist's inspection report. Buyer may be able to obtain earthquake insurance to protect their interest in the Property. Sellers who agree to provide financing should also consider requiring Buyers to obtain such insurance naming Seller(s) as insured lien holder(s). Brokers do not have expertise in this area.
5. **INSPECTIONS:** Buyer and Seller are advised that Buyer has the right to obtain various inspections of the Property under most residential purchase agreements. Buyer is advised to have the Property inspected by a professional property inspection service within Buyer's inspection contingency period. A licensed building contractor or other professional may perform these services. The inspector generally does not look behind walls or under carpets, or take equipment apart. Certain items on the Property, such as chimneys and spark arresters, plumbing, heating, air conditioning, electrical wiring, pool and spa, septic system, well, roof, foundation and structural items may need to be inspected by another professional, such as a chimney sweep, plumber, electrician, pool and spa service, septic or well company or roofer. A general physical inspection typically will not test for mold, wood destroying pests, lead-based paint, radon, asbestos and other environmental hazards, geologic conditions, age, remaining useful life or water-tightness of roof, cracks, leaks or operational problems associated with a pool or spa or connection of the Property to a sewer system. If Buyer wants further information on any aspect of the Property, Broker recommends that Buyer have a discussion with the professional property inspector and that Buyer hire an appropriate professional for the area of concern to Buyer. Brokers do not verify the results of any such inspection or guarantee the performance of any such inspector or service. Any election by Buyer to waive the right to a physical inspection of the Property or to rely on somebody other than an appropriate professional is against the advice of Brokers. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Brokers do not have expertise in these areas.
6. **MOLD:** Buyer and Seller are advised that the presence of certain kinds of mold, fungi, mildew and other organisms, sometimes referred to as "toxic mold" (collectively "Mold"), may adversely affect the Property and the health of individuals who live on or work at the Property as well as pets. Mold does not affect all people the same way, and may not affect some people at all. Mold may be caused by water leaks or other sources of moisture such as, but not limited



to, flooding, and leaks in windows, pipes and roof. Seller is advised to disclose the existence of any such conditions of which he or she is aware. Buyer should carefully review all of Seller's disclosures for any indication that any of these conditions exist. It is, however, possible that Mold may be hidden and that Seller is completely unaware of its existence. In addition, Mold is often undetectable from a visual inspection, a professional general property inspection and even a structural pest control inspection. Brokers do not have expertise in this area. If Buyer wants further information, Broker recommends that Buyer have the Property tested for Mold by an environmental hygienist or other appropriate professional during Buyer's inspection contingency period. Not all inspectors are licensed and licenses are not available for all types of inspection activities. Brokers do not have expertise in this area.

7. **PETS AND ANIMALS:** Buyer and Seller are advised that the current or previous owner(s) may have had domesticated or other pets and animals at the Property. Odors from animal urine or other contamination may be dormant for long periods of time and then become active because of heat, humidity or other factors and might not be eliminated by cleaning or replacing carpets or other cleaning methods. Pet urine and feces can also damage hardwood floors and other floor coverings. Additionally, an animal may have had fleas, ticks and other pests that remain on the Property after the animal has been removed. If Buyer wants further information, Broker(s) recommend that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.
8. **SEPTIC SYSTEMS:** Buyer and Seller are advised that a property may be served by one or more septic systems even though adjoining properties are connected to a sewer line. Buyer and Seller are also advised that some septic tanks and systems may have been abandoned or have leaked into ground water sources. Buyer is advised to contact the appropriate government agency to verify that the Property is connected to a sewer or served by a septic system. If the Property is served by a septic system, it may consist of a septic tank, cesspool, pits, leach lines or a combination of such mechanisms ("collectively, System"). No representation or warranty is made by Seller or Broker concerning the condition, operability, size, capacity or future expansion of a System, nor whether a System is adequate for use by the intended occupants of the Property. A change in the number of occupants or the quantity, composition or methods of depositing waste may affect the efficiency of the System. In addition, the amount of rainfall and ground water table may also affect the efficiency of the System. Many factors including, but not limited to, natural forces, age, deterioration of materials and the load imposed on a System can cause the System to fail at any time. Broker recommends that Buyer obtain an independent evaluation of any System by a qualified sanitation professional during Buyer's inspection contingency period. Buyer should consult with their sanitation professional to determine if their report includes the tank only, or other additional components of the System such as pits and leach fields. Not all inspectors are licensed and licenses are not available for all types of inspection activities. In some cases, Buyer's lender as well as local government agencies may require System inspection. System-related maintenance costs may include, but not be limited to, locating, pumping or providing outlets to ground level. Brokers are unable to advise Buyer or Seller regarding System-related issues or associated costs, which may be significant. If Buyer and Seller agree to obtain a System inspection, Buyer and Seller are cautioned that the inspection cost may include, but not be limited to, the costs of locating, pumping or providing outlets to ground level. Brokers do not have expertise in this area.
9. **SOIL AND GEOLOGIC CONDITIONS:** Buyer and Seller are advised that real estate in California is subject to settling, slippage, contraction, expansion erosion, subsidence, earthquakes and other land movement. The Property may be constructed on fill or improperly compacted soil and may have inadequate drainage capability. Any of these matters can cause structural problems to improvements on the Property. Civil or geo-technical engineers are best suited to evaluate soil stability, grading, drainage and other soil conditions. Additionally, the Property may contain known or unknown mines, mills, caves or wells. If Buyer wants further information, Broker recommends that Buyer hire an appropriate professional. Not all inspectors are licensed and licenses are not available for all types of inspections. Brokers do not have expertise in this area.
10. **SQUARE FOOTAGE, LOT SIZE, BOUNDARIES AND SURVEYS:** Buyer and Seller are advised that only an appraiser or land surveyor, as applicable, can reliably confirm square footage, lot size, Property corners and exact boundaries of the Property. Representations regarding these items that are made in a Multiple Listing Service, advertisements, and from property tax assessor records are often approximations, or based upon inaccurate or incomplete records. Fences, hedges, walls or other barriers may not represent actual boundary lines. Unless otherwise specified by Broker in writing, Brokers have not verified any such boundary lines or any representations made by Seller or others concerning square footage, lot size, Property corners or exact boundaries. Standard title insurance does not insure the boundaries of the Property. If the exact square footage or lot size or location of Property corners or boundaries is an important consideration in Buyer's decision to purchase the Property and/or how much Buyer is willing to pay for the Property, then Buyer must independently conduct Buyer's own investigation through appropriate professionals, appraisers, or licensed surveyors and rely solely on their data, recognizing that all measurements may not be consistent and that different sources may have different size assessments. Brokers do not have expertise in this area.
11. **WATER INTRUSION:** Buyer and Seller are advised that many homes suffer from water intrusion or leakage. The causes of water intrusion are varied, and can include defective construction, faulty grading, deterioration of building materials and absence of waterproof barriers. Water intrusion can cause serious damage to the Property. This damage can consist of wood rot, mold, mildew and even damage to the structural integrity of the Property. The cost of repairing and remediating water intrusion damage and its causes can be very significant. The existence and cause of water intrusion is often difficult to detect. Because you, your Broker or a general home inspector cannot visually observe any effects of water intrusion, Buyer and Seller should not assume that such intrusion does not exist. Broker recommends that Buyer have the Property inspected for water intrusion by an appropriate professional. Brokers do not have expertise in this area.



- 12. WELL AND WATER SYSTEM(S):** Buyer and Seller are advised that the Property may be served by one or more water wells, springs, or private community or public water systems. Any of these private or public water systems may contain bacteria, chemicals, minerals and metals, such as chromium. Well(s) may have been abandoned on the Property. Buyer is advised to have both the quality and the quantity of water evaluated, and to obtain an analysis of the quality of any domestic and agricultural water in use, or to be used at the Property, from whatever source. Water quality tests can include not only tests for bacteria, such as coliform, but also tests for organic and inorganic chemicals, metals, mineral content and gross alpha testing for radioactivity. Broker recommends that Buyer consult with a licensed, qualified well and pump company and local government agency to determine whether any well/spring or water system will adequately serve Buyer's intended use and that Buyer have a well consultant perform an extended well output test for this purpose. Water well or spring capacity, quantity output and quality may change at any time. There are no guarantees as to the future water quality, quantity or duration of any well or spring. If Buyer wants further information, Broker(s) recommend that Buyer obtain an inspection of the condition, age, adequacy and performance of all components of the well/spring and any water system during Buyer's inspection contingency period. Brokers do not have expertise in this area.
- 13. WOOD DESTROYING PESTS:** Buyer and Seller are advised that the presence of, or conditions likely to lead to the presence of infestation or infection of wood destroying pests and organisms may adversely affect the Property. Inspection reports covering these items can be separated into two sections: Section 1 identifies areas where infestation or infection is evident. Section 2 identifies areas where there are conditions likely to lead to infestation or infection. If Buyer wants further information, Buyer is advised and Broker recommends that Buyer have the Property inspected for the existence of such conditions and organisms, and conditions that may lead to their formation, by a registered structural pest control company during Buyer's inspection contingency period. Brokers do not have expertise in this area.
- 14. FIRE HARDENING, DEFENSIBLE SPACE, AND WILDFIRE DISASTERS:** California is subject to wildfires which have resulted in damage and destruction of many properties located in the state. Several recent state laws have mandated disclosures by sellers when selling properties in certain identified zones, such as "high" or "very high" fire severity zones. Additionally, state law mandates that sellers provide buyers with statements of compliance with local mandates if adopted by local agencies. The Property may be located in a high or very high fire severity zone. This may impact the availability of insurance and the ability to build or rebuild structures on the Property. Additionally, there may be requirements that certain fire prevention steps may be mandated. Information on fire hardening, including current building standards and information on minimum annual vegetation management standards to protect homes from wildfires, can be obtained on the internet website <http://www.readyforwildfire.org>. Cal Fire has made available a "Fire Hazard Severity Zone Viewer" where you can input the Property address to determine which fire hazard zone, if any, that the Property is located in. The viewer is available at <https://egis.fire.ca.gov/FHSZ/>. Below is a partial list of potential resources provided as a starting point for Buyer/Lessee investigations and not as an endorsement or guarantee that any federal, state, county, city or other resource will provide complete advice.
- A. California Department of Insurance ("Wildfire Resource") <http://insurance.ca.gov/01-consumers/140-catastrophes/WildfireResources.cfm>; 1-800-927-4357
 - B. Governor's Office of Emergency Services ("Cal OES") California Wildfires Statewide Recovery Resources <http://wildfirerecovery.org/>
 - C. California Department of Forestry and Fire ("Cal Fire") <http://fire.ca.gov/> and <https://www.readyforwildfire.org/>
 - D. California Department of Transportation <https://calsta.ca.gov/>
 - E. California Attorney General <https://oag.ca.gov/consumers/pricegougingduringdisasters#8C1>

Brokers do not have expertise in this area.

- 15. PRELIMINARY (TITLE) REPORT:** A preliminary report is a document prepared by a title company which shows the conditions upon which the title company is willing to offer a policy of title insurance. However, a preliminary report is not an "abstract of title;" the title company does not conduct an exhaustive search of the title record and does not guarantee the condition of title. Nevertheless, the preliminary report documents many matters that have been recorded that can impact an owner's use of the property such as known easements, access rights, and encroachments and, if applicable, governing documents and restrictions for a homeowners' association (HOA). Among many other restrictions that may appear in the HOA documents are restrictions on the number and weight of pets that are allowed. A preliminary report may contain links to important documents referred to in the report. Broker recommends that Buyer reviews the preliminary report and any documents referenced by links and keep a printed or electronic copy of the preliminary report and documents referenced by link. Brokers do not have expertise in this area.

B. Property Use and Ownership

- 1. ACCESSORY DWELLING UNITS:** Accessory Dwelling Units (ADUs) are known by many names: granny flats, in-law units, backyard cottages, secondary units and more. California has passed laws to promote the development of ADUs. Additional information about ADUs can be found at <http://hcd.ca.gov/policy-research/AccessoryDwellingUnits.shtml>. Buyer is advised to check with appropriate government agencies or third party professionals to verify permits and legal requirements and the effect of such requirements on current and future use and rentability of the Property, its development and size. Brokers do not have expertise in this area.
- 2. BUILDING PERMITS, ZONING AND CODE COMPLIANCE:** Buyer and Seller are advised that any structure on the Property, including the original structure and any addition, modification, remodel or improvement may have been built without permits, not according to building codes, or in violation of zoning laws. Further, even if such structure was built according to the then-existing code or zoning requirement, it may not be in compliance with current building standards



- or local zoning. It is also possible that local law may not permit structures that now exist to be rebuilt in the event of damage or destruction. Certain governmental agencies may require periodic inspections to occur in the future. If Buyer wants further information, Broker(s) recommend that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.
3. **BUYER INTENDED FUTURE USE OF, AND MODIFICATIONS TO, THE PROPERTY:** Buyer and Seller are advised that Seller's existing use of the property may not be consistent with Buyer's intended use or any future use that Buyer makes of the property, whether or not Buyer has any current plans to change the use. Buyer is advised to check with appropriate government agencies or third party professionals to verify what legal requirements are needed to accommodate any change in use. In addition, neither Seller nor Broker make any representations as to what modifications Buyer can make to the Property after close of escrow as well as any cost factors associated with any such modifications. Buyer is advised to check with his own licensed contractor and other such professionals as well as with the appropriate government agencies to determine what modifications Buyer will be allowed to make after close of escrow. Brokers do not have expertise in this area.
 4. **CALIFORNIA FAIR PLAN:** Buyer and Seller are advised that insurance for certain hillside, oceanfront and brush properties may be available only from the California Fair Plan. This may increase the cost of insurance for such properties and coverage may be limited. Broker(s) recommend that Buyer consult with Buyer's own insurance agent during Buyer's inspection contingency period regarding the availability of coverage under the California Fair Plan and the length of time it may take for processing of a California Fair Plan application. Brokers do not have expertise in this area.
 5. **FUTURE REPAIRS, REPLACEMENTS AND REMODELS:** Buyer and Seller are advised that replacement or repairs of certain systems or rebuilding or remodeling of all or a portion of the Property may trigger requirements that homeowners comply with laws and regulations that either come into effect after Close of Escrow or are not required to be complied with until the replacement, repair, rebuild or remodel has occurred. Permit or code requirements or building standards may change after Close of Escrow, resulting in increasing costs to repair existing features. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.
 6. **HEATING VENTILATING AND AIR CONDITIONING SYSTEMS:** Changes to state and federal energy efficiency regulations impact the installation, replacement and some repairs of heating and air conditioning units (HVAC): (i) Federal regulations now require manufacturers of HVAC units to produce only units meeting a new higher Seasonal Energy Efficiency Rating (SEER). This will likely impact repairs and replacements of existing HVAC units. State regulations now require that when installing or replacing HVAC units, with some exceptions, duct work must be tested for leaks. Duct work leaking more than 15 percent must be repaired to reduce leaks. The average existing duct work typically leaks 30 percent. More information is available at the California Energy Commission's website <https://www.energy.ca.gov/programs-and-topics/programs/home-energy-rating-system-hers-program>. Home warranty policies may not cover such inspections or repairs, (ii) the phase out of the use of HCFC-22 (R-22 Freon) will have an impact on repairs and replacement of existing air conditioning units and heat pumps. The production and import of HCFC-22 ended January 1, 2020. Existing systems may continue to be used and HCFC-22 recovered and reclaimed or that was produced prior to 2020 can help meet the needs of existing systems, however, costs may rise. More information is available from the Environmental Protection Agency at https://www.epa.gov/sites/production/files/2018-08/documents/residential_air_conditioning_and_the_phaseout_of_hcfc-22_what_you_need_to_know.pdf and <http://www.epa.gov/ozone/title6/phaseout/22phaseout.html>, and (iii) New efficiency standards are also in place for water heaters. As a consequence, replacement water heaters will generally be larger than existing units and may not fit in the existing space. Additional venting and other modifications may be required as well. More information is available from the U.S. Department of Energy at http://www.eere.energy.gov/buildings/appliance_standards/product.aspx/productid/27. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.
 7. **HISTORICAL DESIGNATION, COASTAL COMMISSION, ARCHITECTURAL, LANDSCAPE, AGRICULTURAL OR OPEN SPACE AND OTHER RESTRICTIONS ON BUILDINGS OR IMPROVEMENTS:** Buyer and Seller are advised that the Property may be: (i) designated as a historical landmark, (ii) protected by a historical conservancy, (iii) subject to an architectural or landscaping review process, (iv) within the jurisdiction of the California Coastal Commission or other government agency, or (v) subject to a contract preserving use of all or part of the Property for agriculture or open space. If the Property is so designated or within the jurisdiction of any such, or similar, government agency, then there may be restrictions or requirements regarding Buyer's ability to develop, remove or trim trees or other landscaping, remodel, make improvements to and build on or rebuild the Property. Broker(s) recommend that Buyer satisfy him/herself during Buyer's inspection contingency period if any of these issues are of concern to Buyer. Brokers do not have expertise in this area.
 8. **INSURANCE, TITLE INSURANCE AND TITLE INSURANCE AFTER FORECLOSURE:** Buyer and Seller are advised that Buyer may have difficulty obtaining insurance regarding the Property if there has been a prior insurance claim affecting the Property or made by Buyer but unrelated to the Property. Seller is required by C.A.R. Form RPA to disclose known insurance claims made during the past five years (C.A.R. Form SPQ or ESD). Sellers may not be aware of claims prior to their ownership. If Buyer wants further information, Broker(s) recommend that, during Buyer's inspection contingency period, Buyer conduct his or her own investigation for past claims. Buyer may need to obtain Seller's consent in order to have access to certain investigation reports. If the Property is a condominium, or is located in a planned unit development or other common interest subdivision, Buyer and Seller are advised to determine if the individual unit is covered by the Homeowner's Association Insurance and the type of insurance coverage that Buyer may purchase. Broker(s) recommend that Buyer consult Buyer's insurance agents during Buyer's inspection contingency period to determine the need, availability and possibility of securing any and all forms of other insurance or coverage



or any conditions imposed by insurer as a requirement of issuing insurance. If Buyer does any repairs to the property during the escrow period or Buyer takes possession prior to Close of Escrow or Seller remains in possession after Close of Escrow, whether for a limited or extended period of time, Broker(s) recommend that Buyer and Seller each consult with their own insurance agent regarding insurance or coverage that could protect them in the transaction (including but not limited to: personal property, flood, earthquake, umbrella and renter's). Buyer and Seller are advised that traditional title insurance generally protects Buyer's title acquired through the sale of the property. While all title insurance policies, as do all insurance policies, contain some exclusions, some title insurance policies contain exclusions for any liability arising from a previous foreclosure. This can occur when a short sale has occurred but the lender mistakenly has also proceeded with a foreclosure. Buyer is strongly advised to consult with a title insurer to satisfy themselves that the policy to be provided adequately protects their title to the property against other possible claimants. Brokers do not have expertise in this area.

9. **LAND LEASE:** Buyer and Seller are advised that certain developments are built on leased land. This means that: (i) Buyer does not own the land, (ii) the right to occupy the land will terminate at some point in time, (iii) the cost to lease the land may increase at some point in the future, and (iv) Buyer may not be able to obtain title insurance or may have to obtain a different type of title insurance. If Buyer wants further information, Broker recommends that Buyer discuss the issue with an attorney or other appropriate professional. Brokers do not have expertise in this area.
10. **MARIJUANA, CANNABIS, AND METHAMPHETAMINE LABS:** Buyer and Seller are advised that California law permits individual patients to cultivate, possess and use marijuana for medical purposes. Furthermore, California law permits primary caregivers, lawfully organized cooperatives, and collectives to cultivate, distribute and possess marijuana for medicinal purposes. California law also allows recreational use of marijuana for adults, as well as limited rights for individuals to grow and cultivate marijuana, and rights of others, subject to a licensing process, to grow, cultivate and distribute marijuana for recreational use. California's medical and recreational marijuana laws are in direct conflict with federal law which recognizes no lawful use for marijuana and has no exemptions for medical use. Federal criminal penalties, some of which mandate prison time, remain in effect for the possession, cultivation and distribution of marijuana. Buyer and Seller are strongly advised to seek legal counsel as to the legal risks and issues surrounding owning or purchasing a property where medical or any other marijuana activity is taking place. Marijuana storage, cultivation and processing carry the risk of causing mold, fungus or moisture damage to a property, additionally, some properties where marijuana has been cultivated have had alterations to the structure or the electrical system which may not have been done to code or with permits and may affect the safety of the structure or the safe operation of the electrical system. Buyer is strongly advised to retain an environmental hygienist contractor and other appropriate professionals to inspect a property where medical or any other marijuana activity has taken place. Broker recommends that Buyer and Seller involved with a property where there is medical marijuana activity or where it may take place review the California Attorney General's Guidelines for the "Security and Non-Diversion of Marijuana Grown for Medical Use" <https://oag.ca.gov/system/files/attachments/press-docs/MEDICINAL%20CANNABIS%20Guidelines.pdf> and the U.S. Department of Justice memo regarding marijuana prosecutions at <https://www.justice.gov/opa/press-release/file/1022196/download>. Brokers do not have expertise in this area. While no state law permits the private production of methamphetamine, some properties have been the site of an illegal methamphetamine laboratory. State law imposes an obligation to notify occupants, a ban on occupying the property and clean up requirements when authorities identify a property as being contaminated by methamphetamine. Buyer is advised that a property where methamphetamine has been produced may pose a very serious health risk to occupants. Buyer is strongly advised to retain an environmental hygienist contractor or other appropriate professionals to inspect the property if methamphetamine production is suspected to have taken place. Brokers do not have expertise in this area.
11. **OWNER'S TITLE INSURANCE:** The Truth in Lending/RESPA integrated disclosure (TRID) established by the Consumer Financial Protection Bureau (CFPB) requires that lenders must tell borrowers that title insurance is "optional." While obtaining an owner's policy of title insurance may be "optional", it may be a contractual requirement as between Buyer and Seller. Furthermore, California Civil Code § 1057.6 requires that Buyers be provided with the following notice: "IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING."

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

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



- 12. RENT AND EVICTION CONTROL LAWS AND ORDINANCES:** Buyer and Seller are advised that California and some cities and counties impose or may impose restrictions that limit the rent that can be charged to a tenant, the maximum number of tenants who can occupy the property, the right of a landlord to terminate a tenancy and the costs to do so, and the consequences of terminating a tenancy unlawfully. Even if property that is currently vacant was previously tenant occupied, the termination of that previous tenancy may affect a buyer's rights such as the legal use of the property and who may occupy the property in the future. If Buyer wants further information, Broker(s) recommend that Buyer investigate the issue with an appropriate government authority or a qualified California real estate attorney during Buyer's inspection contingency period. Brokers do not have expertise in this area.
- 13. RETROFIT, BUILDING REQUIREMENTS, AND POINT OF SALE REQUIREMENTS:** Buyer and Seller are advised that state and local Law may require (i) the installation of operable smoke detectors, (ii) bracing or strapping of water heaters, and (iii) upon sale completion of a corresponding written statement of compliance that is delivered to Buyer. Although not a point of sale or retrofit obligation, state law may require the property to have operable carbon monoxide detection devices. Additionally, some city and county governments may impose additional retrofit standards at time of sale including, but not limited to, installing or retrofitting low-flow toilets and showerheads, gas shut-off valves, fireplaces, and tempered glass. Further, there may be potential health impacts from air pollution caused from burning wood. Exposure to particulate matter from the smoke may cause short-term and long-term health effects. Buyers should consult with licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace. Broker(s) recommend that Buyer and Seller consult with the appropriate government agencies, inspectors, and other professionals to determine the retrofit standards for the Property, the extent to which the Property complies with such standards, and the costs, if any, of compliance. Brokers do not have expertise in this area.
- 14. SHORT TERM RENTALS AND RESTRICTIONS:** Buyer and Seller are advised that some cities, counties and Homeowner Associations (HOAs) do impose or may impose restrictions that limit or prohibit the right of the owner or occupant to rent-out the Property for short periods of time (usually 30 Days or less). In short term rentals, as well as all rentals, Buyer and Seller are advised to seek assistance to ensure compliance with all fair housing laws and regulations. If Buyer wants further information, Broker(s) recommend that Buyer investigate the issue with an appropriate government authority or HOA during Buyer's inspection contingency period. Brokers do not have expertise in this area.
- 15. VIEWS:** Buyer and Seller are advised that present views from the Property may be affected by future development or growth of trees and vegetation on adjacent properties and any other property within the line of sight of the Property. Brokers make no representation regarding the preservation of existing views. If Buyer wants further information, Broker(s) recommend that Buyer review covenants, conditions and restrictions, if any, and contact neighboring property owners, government agencies and homeowner associations, if any, during Buyer's inspection contingency period. Brokers do not have expertise in this area.
- 16. SWIMMING POOL, SECURITY AND SAFETY:** Buyer and Seller are advised that state and local Law may require the installation of barriers, anti-entrapment grates, access alarms, self-latching mechanisms, pool covers, exit alarms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property may not be in compliance with these requirements. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions and other requirements. State law requires that new pools and spas be equipped with at least two of seven specified drowning prevention safety features. Home inspectors have a statutory obligation to perform a non-invasive physical examination of the pool area to identify which safety features are present. Brokers do not have expertise in this area.
- 17. WATER SHORTAGES AND CONSERVATION:** Buyer and Seller are advised that the Property may be located in an area that could experience water shortages. The policies of local water districts and the city or county in which the Property is located can result in the occurrence of any or all of the following: (i) limitations on the amount of water available to the Property, (ii) restrictions on the use of water, and (iii) an increasingly graduated cost per unit of water use, including, but not limited to, penalties for excess usage. For further information, Broker recommends that Buyer contact the supplier of water to the Property regarding the supplier's current or anticipated policies on water usage and to determine the extent to which those policies may affect Buyer's intended use of the Property. If the Property is serviced by a private well, Buyer is advised that drought conditions and/or a low water table may make it necessary to arrange, through a private supplier, for delivery of water to the Property. Buyers should contact water truck companies for the costs involved. Brokers do not have expertise in this area.
- 18. 1915 IMPROVEMENT BOND MELLO-ROOS COMMUNITY DISTRICT, AND OTHER ASSESSMENT DISTRICTS:** Buyer and Seller are advised that the Property may be subject to an improvement bond assessment under the Improvement Bond Act of 1915, a levy of a special tax pursuant to a Mello-Roos Community Facilities district, and/or a contractual assessment as provided in § 5898.24 of the Streets And Highways Code or other assessment districts. Seller is generally required to make a good faith effort to obtain a disclosure notice from any local agency collecting such taxes and deliver such notice to Buyers. If there is a question as to whether an existing bond or assessment will be prorated as of the close of escrow, or whether Seller will pay off the bond or assessment at close of escrow, Buyers are advised to discuss the matter with the appropriate entity and address the responsibility for payment in negotiations for the purchase agreement or amendment prior to removing contingencies. Some cities and other localities have begun, or have the intention to begin, the process of requiring the replacement of utility poles by requiring that utility lines be buried underground. These projects can result in special tax assessments and set-up costs that are imposed on individual property owners. Brokers do not have expertise in this area.



C. Off-Site and Neighborhood Conditions

1. **GOLF COURSE DISCLOSURES:** Buyer and Seller are advised that if the Property is located adjacent to or near a golf course the following may apply: (i) Stray golf balls – Any residence near a golf course may be affected by errant golf balls, resulting in personal injury or destruction to property. Golfers may attempt to trespass on adjacent property to retrieve golf balls even though the project restrictions may expressly prohibit such retrieval. (ii) Noise and lighting – The noise of lawn mowers irrigation systems and utility vehicles may create disturbances to homeowners. Maintenance operations may occur in the early morning hours. Residents living near the clubhouse may be affected by extra lighting, noise, and traffic. (iii) Pesticides and fertilizer use – A golf course may be heavily fertilized, as well as subjected to other chemicals during certain periods of the year. (iv) Irrigation system – Golf course sprinkler systems may cause water overspray upon adjacent property and structures. Also the irrigation system of a golf course may use reclaimed and retreated wastewater. (v) Golf carts – Certain lots may be affected more than others by the use of golf carts. Lots adjacent to a tee or putting green may be subject to noise disturbances and loss of privacy. (vi) Access to golf course from residences – It is likely that most residences will not have direct access from their lots to the golf course. The project restrictions may disclaim any right of access or other easements from a resident's lot onto the golf course. (vii) View obstruction – Residents living near a golf course may have their views over the golf course impacted by maturing trees and landscaping or by changes to the course's configuration. (viii) Water restrictions – As some municipalities face water shortages, the continued availability of water to the golf course may be restricted or otherwise reduced by the local water agency. If Buyer wants further information, Broker(s) recommend that Buyer contact the local water agency regarding this matter. Brokers do not have expertise in this area.
2. **NEIGHBORHOOD, AREA, PERSONAL FACTORS, BUYER INTENDED USE, HIGH SPEED RAILS, AND SMOKING RESTRICTIONS:** Buyer and Seller are advised that the following may affect the Property or Buyer's intended use of it: neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to medical marijuana growing or distribution locations, cell phone towers, manufacturing, commercial, industrial, airport or agricultural activities or military ordnance locations, existing and proposed transportation, construction, and development, any other source that may affect noise, view, traffic, or odor, wild and domestic animals, susceptibility to tsunami and adequacy of tsunami warnings, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally-protected sites or improvements, cemeteries, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer and FAA requirements for recreational and non-recreational use of Unmanned Aircraft Systems (UAS) (drones) (see UAS frequently asked questions <http://www.faa.gov/uas/faqs/>). California is potentially moving toward high speed rail service between Northern and Southern California. This rail line could have an impact on the Property if it is located nearby. More information on the timing of the project and routes is available from the California High-Speed Rail Authority at www.cahighspeedrail.ca.gov/. The State of California has long-standing no smoking laws in place restricting smoking in most business and some public spaces. Local jurisdictions may enact laws that are more restrictive than state law. Many California cities have enacted restrictions on smoking in parks, public sidewalks, beaches and shopping areas. Some jurisdictions have restrictions entirely banning smoking inside privately owned apartments and condominiums as well as in the common areas of such structures, or limiting smoking to certain designated areas. If Buyer wants further information, Broker(s) recommend that Buyer contact local government agencies about these restrictions. Brokers do not have expertise in this area.
3. **NEIGHBORHOOD NOISE SOURCES:** Buyer and Seller are advised that even if the Property is not in an identified airport noise influence area, the Property may still be subject to noise and air disturbances resulting from airplanes and other aircraft, commercial or military or both, flying overhead. Other common sources of noise include nearby commercial districts, schools, traffic on streets, highways and freeways, trains and general neighborhood noise from people, dogs and other animals. Noise levels and types of noise that bother one person may be acceptable to others. Buyer is advised to satisfy him/herself with regard to any sources of and amounts of noise at different times of day and night. Brokers do not have expertise in this area.
4. **SCHOOLS:** Buyer and Seller are advised that children living in the Property may not, for numerous reasons, be permitted to attend the school nearest the Property. Various factors including, but not limited to, open enrollment policies, busing, overcrowding and class size reductions may affect which public school serves the Property. School district boundaries are subject to change. Buyer is advised to verify whether the Property is now, and at the Close of Escrow will be, in the school district Buyer understands it to be in and whether residing in the Property entitles a person to attend any specific school in which that Buyer is interested. Broker(s) recommend that Buyer contact the local school or school district for additional information during Buyer's inspection contingency period. Brokers do not have expertise in this area.
5. **UNDERGROUND PIPELINES AND UTILITIES:** Throughout California underground pipelines transport natural gas, liquid fuel and other potentially hazardous materials. These pipelines may or may not provide utility services to the Property. Information about the location of some of the pipelines may be available from a company that also provides disclosures of natural and other hazards or from other sources of public maps or records. Proximity to underground pipelines, in and of itself, does not affirmatively establish the risk or safety of the property. If Buyer wants further information about these underground pipelines and utilities, Buyer is advised to consult with appropriate experts during Buyer's inspection contingency period. Brokers do not have expertise in this area.
6. **WILDLIFE:** California is the home to many species of wildlife. The location of homes in California continues to expand into areas that are the natural habitat of wildlife and the Property may be in such an area. Wildlife may become a nuisance especially if the availability of their natural sources of food or water is limited. Buyer should investigate the need to



implement mitigation measures at the Property including but not limited to the use of animal-resistant garbage containers, and other appropriate measures depending on the species and habitat involved. Brokers do not have expertise in this area.

7. **SEA LEVEL RISE/COASTAL PROPERTIES:** Sea level rise has the potential to affect coastal residents, recreation, and development. Coastal communities may or may not have addressed the potential impact. The following is a non-exclusive list of issues that may be impacted by sea level rise: (i) Shoreline, beach and bluff erosion, and flooding; (ii) The effectiveness of seawalls and bulkheads, whether built with or without permits; (iii) Seaward construction, development or improvement to existing structures; (iv) The enactment of geological hazard abatement districts and assessments; and (v) The location of the "mean high tide line" which is used to delineate shoreline boundaries for some coastal properties.

Below is a non-exhaustive list of potential resources provided as a starting point for Buyer investigations into sea level rise, and not as an endorsement or guarantee that any federal, state, county, city or other resource will provide complete advice.

- A. California Coastal Commission contact information: <https://www.coastal.ca.gov/contact/#/>
- B. State Lands Commission contact information: <https://www.slc.ca.gov/contact-us/>
- C. National Oceanic and Atmospheric Administration (sea level rise page): <https://coast.noaa.gov/slr/>
- D. California Coastal Commission (sea level rise page): <https://www.coastal.ca.gov/climate/slr/>
- E. Federal Emergency Management Agency (FEMA): <https://www.fema.gov/flood-maps/>; <https://msc.fema.gov>

If Buyer wants further information, Broker recommends that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Brokers do not have expertise in this area.

D. Legal Requirements (Federal, State and Local)

1. **DEATH ON THE PROPERTY:** California Civil Code § 1710.2 protects a seller from: (i) failing to disclose a death on the property that occurred more than 3 years before a buyer has made an offer on a property; and (ii) failing to disclose if an occupant of a property was afflicted with HIV/AIDS, regardless of whether a death occurred or if so, when § 1710.2 does not protect a seller from making a misrepresentation in response to a direct inquiry. If the Buyer has any concerns about whether a death occurred on the Property or the manner, location, details or timing of a death, the buyer should direct any specific questions to the Seller in writing. Brokers do not have expertise in this area.
2. **EARTHQUAKE FAULT ZONES AND SEISMIC HAZARD ZONES:** Buyer and Seller are advised that California Public Resources Code §§ 2622 and 2696 require the delineation and mapping of "Earthquake Fault Zones" along known active faults and "Seismic Hazard Zones" in California. Affected cities and counties must regulate certain development projects within these zones. Construction or development on affected properties may be subject to the findings of a geological report prepared by a registered California geologist. Generally, Seller must disclose if the Property is in such a zone and can use a research company to aid in the process. If Buyer wants further information, Broker recommends that, during Buyer's inspection contingency period, Buyer make independent inquiries with such research companies or with appropriate government agencies concerning the use and improvement of the Property. Buyer is advised that there is a potential for earthquakes and seismic hazards even outside designated zones. Brokers do not have expertise in this area.
3. **EPA's LEAD-BASED PAINT RENOVATION, REPAIR AND PAINTING RULE:** The new rule requires that contractors and maintenance professionals working in pre-1978 housing, child care facilities, and schools with lead-based paint be certified; that their employees be trained; and that they follow protective work practice standards. The rule applies to renovation, repair, or painting activities affecting more than six square feet of lead-based paint in a room or more than 20 square feet of lead-based paint on the exterior. Enforcement of the rule begins October 1, 2010. See the EPA website at <http://www.epa.gov/lead> for more information. Buyer and Seller are advised to consult an appropriate professional. Brokers do not have expertise in this area.
4. **FIRE HAZARDS:** Buyer and Seller are advised that fires annually cause the destruction of thousands of homes. Due to varied climate and topography, certain areas have higher risks of fires than others. Certain types of materials used in home construction create a greater risk of fire than others. If the Property is located within a State Fire Responsibility Area or a Very High Fire Hazard Zone, generally Seller must disclose that fact to Buyer under California Public Resources Code § 4136 and California Government Code §§ 51178 and 51183.5, and may use a research company to aid in the process. Owners of property may be assessed a fire prevention fee on each structure on each parcel in such zones. The fee may be adjusted annually commencing July 1, 2013. If Buyer wants further information, Broker recommends that, during Buyer's investigation and insurance contingency period, Buyer contact the local fire department and Buyer's insurance agent regarding the risk of fire. Buyer is advised that there is a potential for fires even outside designated zones. Brokers do not have expertise in this area.
5. **FIRPTA/CALIFORNIA WITHHOLDING:** Buyer and Seller are advised that: (i) Internal Revenue Code § 1445, as of February 17, 2016, requires a Buyer to withhold and to remit to the Internal Revenue Service 15% of the purchase price of the property if the Seller is a non-resident alien, unless an express exemption applies. Only 10% needs to be withheld if the Buyer acquires the property as Buyer's residence and the price does not exceed \$1,000,000. Seller may avoid withholding by providing Buyer a statement of non-foreign status. The statement must be signed by Seller under penalty of perjury and must include Seller's tax identification number. Buyer can also avoid having to withhold Federal taxes from Seller's Proceeds if the property price is \$300,000 or less, and the Buyer signs an affidavit stating Buyer intends to occupy the property as a principal residence. (ii) California Revenue and Taxation Code § 18662 requires that a Buyer withhold and remit to the California Franchise Tax Board 3 1/3% of the purchase price of the property unless the Seller



signs an affidavit that the property was the Seller's (or the decedent's, if a trust or probate sale) principal residence or that the sales price is \$100,000 or less or another express exemption applies. Exemptions from withholding also apply to legal entities such as corporations, LLCs, and partnerships. Brokers cannot give tax or legal advice. Broker recommends that Buyer and Seller seek advice from a CPA, attorney or taxing authority. Brokers do not have expertise in this area.

6. **FLOOD HAZARDS:** Buyer and Seller are advised that if the Property is located within a Special Flood Hazard Area, as designated by the Federal Emergency Management Agency (FEMA), or an area of Potential Flooding pursuant to California Government Code § 8589.3, generally Seller must disclose this fact to Buyer and may use a research company to aid in the process. The National Flood Insurance Program was established to identify all flood plain areas and establish flood-risk zones within those areas. The program mandates flood insurance for properties within high-risk zones if loans are obtained from a federally-regulated financial institution or are insured by any agency of the United States Government. The extent of coverage and costs may vary. If Buyer wants further information, Broker(s) recommend that Buyer consult his or her lender and/or insurance agent during Buyer's inspection contingency period. Buyer is advised that there is a potential for flooding even outside designated zones. Brokers do not have expertise in this area.
7. **MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to § 290.46 of the Penal Code, information about specific registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at <http://www.meganslaw.ca.gov/>. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers, in any, are required to check this website. If Buyer wants further information, Buyer should obtain information directly from this website.) Brokers do not have expertise in this area.
8. **NOTICE OF YOUR SUPPLEMENTAL PROPERTY TAX BILL; ACCURATE SALES PRICE REPORTING:** Buyer and Seller are advised that pursuant to Civil Code § 1102.6(c), Seller, or his or her agent, is required to provide the following notice to the Buyer:

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

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

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

9. **ZONE MAPS MAY CHANGE:** Maps that designate, among other things, Earthquake Fault Zones, Seismic Hazard Zones, State Fire Responsibility Areas, Very High Fire Hazard Zones, Special Flood Hazard Areas, and Potential Flooding Areas are occasionally redrawn by the applicable Government Agency. Properties that are currently designated in a specified zone or area could be removed and properties that are not now designated in a specified zone or area could be placed in one or more such zones or areas in the future. A property owner may dispute a FEMA flood hazard location by submitting an application to FEMA. Brokers do not have expertise in this area.
10. **ELECTRIFICATION OF ENERGY SOURCE:** Several local jurisdictions in California have enacted laws which prohibit the use of natural gas appliances in new construction. Other local jurisdictions, and State of California, are considering bans, and may even prohibit the replacement, sale or installation of appliances that use any fuel source other than electricity. Brokers do not have expertise in this area.

E. Contract Related Issues and Terms

1. **SIGNING DOCUMENTS ELECTRONICALLY:** The ability to use electronic signatures to sign legal documents is a great convenience, however Buyers and Sellers should understand they are signing a legally binding agreement. Read it carefully. Although electronic signature programs make it easy to skip from one signature or initial line to another, Buyers and Sellers are cautioned to only sign if they have taken the time necessary to read each document thoroughly, understand the entire document, and agree to all of its terms. Do not just scroll through or skip to the next signature or initial line, even if you have reviewed an earlier draft of the document. If you have questions or do not understand a provision, before you sign ask your Broker, Agent or legal advisor about the contract term and sign only if you agree to be bound by it. Some signature or initial lines are optional, such as for the liquidated damages and arbitration clauses. Consider your decision before signing or initialing. See below for more information on the liquidated damages and arbitration clauses. If there are more than one buyer or seller, each must sign or initial on their own. Do not sign or initial for anyone else unless you have a power of attorney for that person or are otherwise legally authorized, in writing, to



sign or initial for another. Print or electronically store a copy of the document for your own records. Brokers do not have expertise in this area.

2. **LIQUIDATED DAMAGES:** Buyer and Seller are advised that a liquidated damages clause is a provision Buyer and Seller can use to agree in advance to the amount of damages that a seller will receive if a buyer breaches the Agreement. The clause usually provides that a seller will retain a buyer's initial deposit paid if a buyer breaches the agreement, and generally must be separately initialed by both parties and meet other statutory requirements to be enforceable. For any additional deposits to be covered by the liquidated damages clause, there generally must be another separately signed or initialed agreement (see C.A.R. Form DID). However, if the Property contains from 1 to 4 units, one of which a buyer intends to occupy, California Civil Code Section 1675 limits the amount of the deposit subject to liquidated damages to 3% of the purchase price. Even though both parties have agreed to a liquidated damages clause, an escrow company will usually require either a judge's or arbitrator's decision or instructions signed by both parties in order to release a buyer's deposit to a seller. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to a liquidated damages clause. Brokers do not have expertise in this area.
3. **MEDIATION:** Buyer and Seller are advised that mediation is a process by which the parties hire a neutral person to facilitate discussion and negotiation between the parties with the goal of helping them reach a settlement of their dispute. The parties generally share in the cost of this confidential, non-binding negotiation. If no agreement is reached, either party can pursue further legal action. Under C.A.R. Form RPA: (i) the parties must mediate any dispute arising out of their agreement (with a few limited exceptions, such as matters within the jurisdiction of a small claims court) before they resort to arbitration or court, and (ii) if a party proceeds to arbitration or court without having first attempted to mediate the dispute, that party risks losing the right to recover attorney fees and costs even if he or she prevails. Brokers do not have expertise in this area.
4. **ARBITRATION:** Buyer and Seller are advised that arbitration is a process by which the disputing parties hire a neutral person to render a binding decision. Generally, arbitration is faster and less expensive than resolving disputes by litigating in court. The rules are usually less formal than in court, and it is a private process not a matter of public record. By agreeing to arbitration, the parties give up the right to a jury trial and to appeal the arbitrator's decision. Arbitration decisions have been upheld even when arbitrators have made a mistake as to the law or the facts. If the parties agree to arbitration, then after first attempting to settle the dispute through mediation, any dispute arising out of their agreement (with a few limited exceptions) must be submitted to binding arbitration. Buyer and Seller must weigh the benefits of a potentially quicker and less expensive arbitration against giving up the right to a jury trial and the right to appeal. Brokers cannot give legal advice regarding these matters. Buyers and Sellers must decide on their own, or with the advice of legal counsel, whether to agree to arbitration. Brokers do not have expertise in this area.
5. **ESCROW FUNDS:** Buyer and Seller are advised that California Insurance Code § 12413.1 provides that escrow companies cannot disburse funds unless there are sufficient "good funds" to cover the disbursement. "Good funds" are defined as cash, wire transfers and cashiers' or certified checks drawn on California depositories. Escrow companies vary in their own definitions of "good funds." Broker(s) recommend that Buyer and Seller ask the escrow company regarding its treatment of "good funds." All samples and out-of-state checks are subject to waiting periods and do not constitute "good funds" until the money is physically transferred to and received by the escrow holder. Brokers do not have expertise in this area.
6. **HOME WARRANTY:** Buyer and Seller are advised that Buyer and Seller can purchase home warranty plans covering certain standard systems of the Property both before and after Close of Escrow. Seller can obtain coverage for the Property during the listing period. For an additional premium, an upgraded policy providing additional coverage for air conditioning, pool and spa and other features can be purchased. Home warranties do not cover every aspect of the Property and may not cover inspections or upgrades for repairs required by state or federal laws or pre-existing conditions. Broker(s) recommend that Buyer review the policy for details. Brokers do not have expertise in this area.
7. **IDENTIFICATION OF NATURAL PERSONS BEHIND SHELL COMPANIES IN ALL-CASH TRANSACTIONS:**
The U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) has issued Geographic Targeting Orders (GTOs) targeting alleged money laundering risk in the real estate sector. The GTOs will temporarily require U.S. title insurance companies to identify the natural persons behind shell companies used to pay "all cash" for high- end residential real estate in certain major metropolitan areas. FinCEN explained that it remains concerned that all- cash purchases (i.e., those without bank financing) may be conducted by individuals attempting to hide their assets and identity by purchasing residential properties through limited liability companies or other similar structures. Since the original issuance, the GTOs have been renewed and may continue to be renewed. The GTOs cover the following areas in California: Los Angeles, San Francisco, San Mateo, Santa Clara and San Diego Counties. The monetary thresholds for each county is \$300,000. GTOs have helped law enforcement identify possible illicit activity. FinCEN reported that a significant portion of covered transactions have dictated possible criminal activity associated with the individuals reported to be the beneficial owners behind shell company purchasers. Brokers do not have expertise in this area.
8. **NON CONFIDENTIALITY OF OFFERS:** Buyer is advised that Seller or Listing Agent may disclose the existence, terms, or conditions of Buyer's offer, unless all parties and their agent have signed a written confidentiality agreement (such as C.A.R. Form NDA). Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the Listing Agent's marketing strategy and the instructions of the Seller. Brokers do not have expertise in this area.
9. **ONLINE OR WIRE FUNDS TRANSFERS:** Instructions for the online or wire transfer of escrow deposits have been known to be intercepted by hackers who alter them so that Buyer's funds are actually wired to accounts controlled by criminals rather than the escrow company. Buyers should exercise extreme caution in making electronic funds transfers,



verifying that the organization they are transferring funds to is, in fact, the escrow company and that their own bank account information is not being exposed. See C.A.R. Form WFA for further information. Brokers do not have expertise in this area.

F. Other Factors Affecting Property

1. **COMMUNITY ENHANCEMENT AND PRIVATE TRANSFER FEES:** Buyer and Seller are advised that some areas or communities may have enhancement fees or user-type fees, or private transfer taxes and fees, over and above any stated fees. The Federal Housing Finance Agency has issued a rule that prohibits Fannie Mae and Freddie Mac from purchasing loans made on properties with private transfer fees if those fees were established on or after February 8, 2011. See title 12 Code of Federal Regulations § 1228 for more information and exceptions. Private transfer fees: (i) may last for a fixed period of time or in perpetuity, (ii) are typically calculated as a percentage of the sales price, and (iii) may have private parties, charitable organizations or interest-based groups as their recipients who may use the funds for social issues unrelated to the property. Brokers do not have expertise in this area.
2. **GENERAL RECALL/DEFECTIVE PRODUCT/CLASS ACTION INFORMATION:** Buyer and Seller are advised that government entities and manufacturers may at any time issue recall notices and/or warnings about products that may be present in the Property, and that these notices or warnings can change. The following nonexclusive, non-exhaustive list contains examples of recalled/defective products/class action information: horizontal furnaces, Whirlpool Microwave Hood Combination; RE-ConBuilding products roof tiles; Central Sprinkler Company Fire Sprinklers; Robert Shaw Water Heater Gas Control Valves; Trex Decking; water heaters; aluminum wiring; galvanized, abs, polybutylene PEX, KITEC® and copper pipe; and dry wall manufactured in China. There is no single, all-inclusive source of information on product recalls, defective products or class actions; however, the U.S. Consumer Product Safety Commission (CPSC) maintains a website that contains useful information. If Buyer wants further information regarding the items listed above, Broker(s) recommend that Buyer review the CPSC website at <http://www.cpsc.gov/> during Buyer's inspection contingency period. Another source affiliated with the CPSC is <http://saferproducts.gov/> which allows a Buyer to search by product type or product name. Buyer may also search using the various search engines on the Internet for the specified product or products in question. Brokers recommend that Buyer satisfy themselves regarding recalled or defective products. Brokers will not determine if any aspect of the Property is subject to a recall or is affected by a class action lawsuit. Brokers do not have expertise in this area.
3. **HOMEOWNER ASSOCIATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS ("CC&Rs"); CHARGING STATIONS; FHA/VA APPROVAL:** Buyer and Seller are advised that if the Property is a condominium, or located in a planned unit development, or in a common interest subdivision, there are typically restrictions on use of the Property and rules that must be followed. Restrictions and rules are commonly found in Declarations and other governing documents. Further there is likely to be a homeowner association (HOA) that has the authority to affect the Property and its use. Whether or not there is a HOA, the Property may still be subject to CC&Rs restricting use of the Property. The HOA typically has the authority to enforce the rules of the association, assess monetary payments (both regular monthly dues and special assessments) to provide for the upkeep and maintenance of the common areas, and enforce the rules and assessment obligations. If you fail to abide by the rules or pay monies owed to the HOA, the HOA may put a lien against your Property. Additionally, if an electric vehicle charging station is installed in a common area or an exclusive use common area, each Seller whose parking space is on or near that charging station must disclose its existence and that the Buyer will have the responsibilities set forth in California Civil Code §4745. The law requires the Seller to provide the Buyer with the CC&Rs and other governing documents, as well as a copy of the HOA's current financial statement and operating budget, among other documents. Effective July 1, 2016, a Common Interest Development (CID) will be required to include in its annual budget report a separate statement describing the status of the CID as a Federal Housing Administration or Department of Veterans Affairs approved Development. While the purchase agreement and the law require that the annual budget be provided by Seller to Buyer, Brokers will not and cannot verify the accuracy of information provided by the CID. Buyer is advised to carefully review all HOA documents provided by Seller and the CC&Rs, if any, and satisfy him/herself regarding the use and restrictions of the Property, the amount of monthly dues and/or assessments, the adequacy of reserves, current and past insurance coverage and claims, and the possibility of any legal action that may be taken by or against the HOA. The HOA may not have insurance or may not cover personal property belonging to the owner of the unit in the condominium, common interest or planned unit development. For more information Buyer may request from Broker the C.A.R. Legal Q&A titled: "Homeowners' Associations: A Guide for REALTORS®". Brokers do not have expertise in this area.
Although unenforceable, it is possible the CC&Rs, deed or other document on title may contain a covenant which at one time may have purported to discriminate against persons based on race, religion or other protected class or characteristics. You have the right to request the assistance of the title or escrow company to help you prepare a form which will be provided to the County and may result in the discriminatory language being removed from the public record. You may also get a notice informing you of these rights from the Broker or title or escrow company. For more information Buyer may request from Broker the C.A.R. Legal Quick Guide titled: "Agent Disclosure of Discriminatory Covenants Based on Actual Knowledge."
4. **LEGAL ACTION:** Buyer and Seller are advised that if Seller or a previous owner was involved in a legal action (litigation or arbitration) affecting the Property, Buyer should obtain and review public and other available records regarding the



legal action to determine: (i) whether the legal action or any resolution of it affects Buyer and the Property, (ii) if any rights against any parties involved in the legal action survive the legal action or have been terminated or waived as a result of the legal action, whether or not involving the same issue as in the legal action, and (iii) if any recommendations or requirements resulting from the legal action have been fulfilled and, if so, that Buyer is satisfied with any such action. Buyer should seek legal advice regarding these matters. Brokers do not have expertise in this area.

5. **MARKETING; INTERNET ADVERTISING; INTERNET BLOGS; SOCIAL MEDIA:** Buyer and Seller are advised that Broker may employ a "staging" company to assist in the presentation of the Property. The furnishings and decorations in the staging are generally not included in the sale unless specifically noted in the Agreement. Statements and inclusion in the MLS entry, flyers, and other marketing materials are NOT part of the Agreement. In addition, Broker may employ a service to provide a "virtual tour" or "virtual staging" or Internet marketing of the Property, permitting potential buyers to view the Property over the Internet. While they are supposed to be an accurate representation of the property, the photos may be enhanced and not fully representative of the actual condition of the property. Further, neither the service provider nor Broker have total control over who will obtain access to materials placed on the internet or what action such persons might take. Additionally, some Internet sites and other social media provide formats for comments or opinions of value of properties that are for sale. Information on the Property, or its owner, neighborhood, or any homeowner association having governance over the Property may be found on the internet on individual or commercial web sites, blogs, Facebook pages, or other social media. Any such information may be accurate, speculative, truthful or lies, and it may or may not reflect the opinions or representations by the Broker. Broker will not investigate any such sites, blogs, social media or other internet sites or the representations contained therein. Buyer is advised to make an independent search of electronic media and online sources prior to removing any investigation contingency. Buyer and Seller are advised that Broker has no control over how long the information or photos concerning the Property will be available on the Internet or through social media, and Broker will not be responsible for removing any such content from the internet or MLS. Brokers do not have expertise in this area.
6. **PACE LOANS AND LIENS:** The acronym PACE stands for Property Assessed Clean Energy. PACE programs allow property owners to finance energy and water conservation improvements and pay for them through an assessment on the owner's property. PACE programs are available in most areas for both residential one to four unit properties and commercial properties. PACE programs may be referred to by different names such as HERO or SCEIP, among others. If a PACE project is approved, an assessment lien is placed on a property for the amount owed plus interest. A property owner repays the entity for the improvements as a special tax assessment on the property tax bill over a period of years. A PACE lien is similar to a property tax lien in that it has "super priority." Sellers are obligated to disclose, pursuant to the C.A.R. Residential Purchase Agreement (C.A.R. Form RPA), whether any improvement is subject to a lien such as a PACE lien. Properties that are subject to PACE liens made on or after July 6, 2010 may not be eligible for financing. For more information, Buyer may request from Broker the C.A.R. Legal Q&A titled: "PACE Programs and Solar Leases". Brokers do not have expertise in this area.
7. **RE-KEYING:** All locks should be re-keyed immediately upon close of escrow so as to ensure the Buyer's safety and security of their persons as well as their personal belongings. Alarms, if any, should be serviced by professionals and codes should be changed. Garage door openers and remotes should be re-coded. In the event of a lease back to Seller after the close of escrow, Seller is advised that the Buyer is entitled to the keys as the Owner of the Property even though the Seller stays in possession of the Property as provided in the RPA. Brokers do not have expertise in this area.
8. **SOLAR PANELS AND NET ENERGY METERING:** Solar panel or power systems may be owned or leased. Although leased systems are probably personal property, they are included in the sale by the C.A.R. purchase agreement which also obligates the Seller to make a disclosure to the Buyer and provide the Buyer with documentation concerning the lease and system. Leasing companies generally secure payments by filing a UCC-1 (a Uniform Commercial Code form giving notice of a creditor's security interest) against the property. Sellers are required to provide material information about solar panels (C.A.R. form SOLAR may be used). Buyers are given a contingency right to investigate the solar related system and documentation and assume any lease. Assumption of the lease may require Buyer to provide financial information to the leasing company who may require a credit report be obtained on the Buyer. Should a solar panel or power system be on the Property, Buyers should determine if the system is leased or owned. Buyer's willingness to assume any such lease is a contingency in favor of Seller. For more information, Buyer may request from Broker the C.A.R. Legal Q&A titled: "PACE Programs and Solar Leases". Solar panel systems may have net energy metering. Payback rates from utilities to property owners with their own source of energy (such as rooftop solar panels) who contribute electricity back to the grid may change from those currently in place and may differ upon change of ownership in the property. Fees for new solar installation may be added or changed. Buyers should discuss with the applicable utility if applicable to the property. Brokers do not have expertise in this area.
9. **RECORDING DEVICES:** Audio or video recording devices or both may be present on the Property, whether or not notice of any such devices has been posted. Seller may or may not even be aware of the capability of such devices. Brokers do not have expertise in this area.
10. **WOOD BALCONIES, STAIRS AND OTHER STRUCTURES:** Prior to January 1, 2025, and periodically thereafter, buildings with three units or more, may be required to obtain an inspection of exterior balconies, stairways, walkways, or decks that are supported



in whole or in substantial part by a wood or wood-based materials. For condos, the HOA will be responsible for the inspections per its governing documents. For other buildings, it is the owner's responsibility. An inspection report must be incorporated into a condo HOA's study of reserve account requirements. This could in turn affect lender certification requirements as well as future dues and assessments. A balcony report that identifies an immediate threat to the safety of the occupants will require the condo HOA or owner to prevent access to the balcony further impacting a property's marketability.

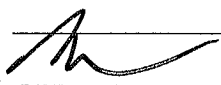
G. Local Disclosures and Advisories

LOCAL ADVISORIES OR DISCLOSURES (IF CHECKED):

The following disclosures or advisories are attached:

- A. ☐ _____
- B. ☐ _____
- C. ☐ _____
- D. ☐ _____

Buyer and Seller are encouraged to read all 15 pages of this Advisory carefully. By signing below, Buyer and Seller acknowledge that each has received a copy of all 15 pages of this Statewide Buyer and Seller Advisory, and each has read and understands its terms.

BUYER	_____	Date	_____
BUYER	_____	Date	_____
SELLER	 _____	Date	<u>2-24-26</u>
SELLER	<i>Matthew L. Taylor, Partition Referee</i> _____	Date	_____

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SBSA REVISED 6/24 (PAGE 15 OF 15)



STATEWIDE BUYER AND SELLER ADVISORY (SBSA PAGE 15 OF 15)

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WATER HEATER AND SMOKE ALARM STATEMENT OF COMPLIANCE

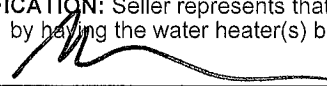
(C.A.R. Form WHSD, Revised 12/23)

Property Address: **971 Nadelhorn Dr., Lake Arrowhead, CA 92352**

NOTE: For use only for REO sales with Exempt Seller Disclosure (ESD). A seller who is not required to provide one of the following statements of compliance is not necessarily exempt from the obligation to provide the other statement of compliance.

WATER HEATER STATEMENT OF COMPLIANCE

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

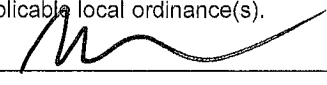
Seller  **Matthew L. Taylor, Partition Referee** Date 2-24-26
 Seller _____ Date _____

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

Buyer _____ Date _____
 Buyer _____ Date _____

SMOKE ALARM STATEMENT OF COMPLIANCE

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

Seller  **Matthew L. Taylor, Partition Referee** Date 2-24-26
 Seller _____ Date _____

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

Buyer _____ Date _____
 Buyer _____ Date _____

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WHSD REVISED 12/23 (PAGE 1 OF 1)

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



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WATER-CONSERVING PLUMBING FIXTURES AND CARBON MONOXIDE DETECTOR ADVISORY

(C.A.R. Form WCMD, Revised 6/24)

1. WATER-CONSERVING PLUMBING FIXTURES

A. INSTALLATION:

- (1) **Requirements:** California law (Civil Code §§ 1101.4 and 1101.5) requires all single-family residences, multi-family and commercial property built on or before January 1, 1994 to be equipped with water-conserving plumbing fixtures. Additionally, a residential and commercial property built on or before January 1, 1994 that is altered or improved is required to be equipped with water-conserving plumbing fixtures as a condition of final approval if the alteration or improvement increases floor area space by more than 10 percent, or has a cost greater than \$150,000, or for any room in a building which requires a building permit.
- (2) **Exceptions:** These requirements do not apply to (i) registered historical sites, (ii) real property for which a licensed plumber certified that, due to the age or configuration of the property or its plumbing, installation of water-conserving plumbing fixtures is not technically feasible, or (iii) a building for which water service is permanently disconnected. Additionally, there is a one-year exemption for any building slated for demolition, and any city or county that has adopted a retrofit requirement prior to 2009 is itself exempt. (Civil Code §§1101.6, 1101.7, and 1101.9.)

B. Disclosure of Water-Conserving Plumbing Fixtures: Although the installation of water-conserving plumbing fixtures is not a point-of-sale requirement, California Civil Code §§ 1101.4 (single family properties beginning 2017) and 1101.5 (multifamily and commercial properties beginning 2019) require the seller to disclose to the buyer the requirements concerning water-conserving plumbing fixtures and whether the property contains any noncompliant water fixtures.

C. Noncompliant Water Fixtures: Noncompliant water fixtures are any of the following: (i) any toilet manufactured to use more than 1.6 gallons of water per flush, (ii) any urinal manufactured to use more than one gallon of water per flush, (iii) any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute, (iv) any interior faucet that emits more than 2.2 gallons of water per minute. (Civil Code § 1101.3.) Buyer and Seller are each advised to consult with their own home inspector or contractor to determine if any water fixture is noncompliant. Buyer is advised to investigate the cost to bring any noncompliant water fixtures into compliance before removing the investigation contingency.

2. CARBON MONOXIDE DETECTORS:

A. INSTALLATION:

- (1) **Requirements:** As of January 1, 2013, California law (Health and Safety Code §§ 13260 to 13263 and 17926 to 17926.2) has required the following types of dwelling units intended for human occupancy have carbon monoxide detectors installed: single-family dwellings, duplex, lodging house, dormitory, hotel, condominium, time-share and apartment, among others.
- (2) **Exceptions:** The law does not apply to a dwelling unit which does not have any of the following: a fossil fuel burning heater or appliance, a fireplace, or an attached garage. The law does not apply to dwelling units owned or leased by the State of California, the Regents of the University of California or local government agencies. Aside from these three owner types, there are **no other owner exemptions** from the installation requirement; it applies to all owners of dwellings, be they individual banks, corporations, or other entities. There is no exemption for REO properties.

B. DISCLOSURE OF CARBON MONOXIDE DETECTORS: The Health and Safety Code does not require a disclosure regarding the existence of carbon monoxide detectors in a dwelling. However, a seller of residential 1-4 property who is required to complete a Real Estate Transfer Disclosure Statement, (C.A.R. Form TDS) or a Manufactured Home and Mobilehome Transfer Disclosure Statement (C.A.R. Form MHTDS) must use section II A of that form to disclose whether or not the dwelling unit has a carbon monoxide detector.

C. COMPLIANCE WITH INSTALLATION REQUIREMENT: State building code requires at a minimum, placement of carbon monoxide detectors in applicable properties outside of each sleeping area, and on each floor in a multi-level dwelling but additional or different requirements may apply depending on local building standards and manufacturer instructions. An owner who fails to install a carbon monoxide detector when required by law and continues to fail to install the detector after being given notice by a governmental agency could be liable for a fine for each violation. A transfer of a property where a seller, as an owner, has not installed carbon monoxide detectors, when required to do so by law, will not be invalidated, but the seller/owner could be subject to damages, plus court costs and attorney fees. Buyer and Seller are each advised to consult with their own home inspector, contractor or building department to determine the exact location for installation of carbon monoxide detectors. Buyer is advised to consult with a professional of Buyer's choosing to determine whether the property has carbon monoxide detector(s) installed as required by law, and if not to discuss with their counsel the potential consequences.

3. LOCAL REQUIREMENTS: Some localities maintain their own retrofit or point of sale requirements which may include the requirement that water-conserving plumbing fixtures and/or a carbon monoxide detector be installed prior to a transfer of property. Therefore, it is important to check the local city or county building and safety departments regarding point of sale or retrofit requirements when transferring property.

By signing below, Buyer and Seller each acknowledge that they have read, understand, and have received a copy of this Water-Conserving Plumbing Fixtures and Carbon Monoxide Detector Advisory

Seller	<u>Matthew L. Taylor, Partition Referee</u>	Date	<u>2-29-26</u>
Seller	_____	Date	_____
Buyer	_____	Date	_____
Buyer	_____	Date	_____

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WCMD REVISED 6/24 (PAGE 1 OF 1)



WATER-CONSERVING PLUMBING FIXTURES AND CARBON MONOXIDE DETECTOR ADVISORY (WCMD PAGE 1 OF 1)

GS Strategies, Inc., 550 E Hospitality Lane Ste 300 San Bernardino CA 92408
John Martindale

Phone: 9092285255 Fax: 971 Nadelhorn Dr.
Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwof.com



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MEGAN'S LAW DATA BASE DISCLOSURE
Regarding Registered Sex Offenders
(C.A.R. Form DBD, Revised 6/23)

The following terms and conditions are hereby incorporated in and made a part of the ☒ Residential Purchase Agreement,
☐ Residential Lease or Month-to-Month Rental Agreement OR, ☐ other _____,
dated _____,
on property known as: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352,
in which _____ is referred to as Buyer/Tenant
and Matthew L. Taylor, Partition Referee is referred to as Seller/Housing Provider.

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

(Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Brokers do not have expertise in this area.)

Buyer/Tenant _____ Date _____

Buyer/Tenant _____ Date _____

Seller/Housing Provider Matthew L. Taylor, Partition Referee Date 2-24-26

Seller/Housing Provider _____ Date _____

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DBD REVISED 6/23 (PAGE 1 OF 1)

MEGAN'S LAW DATA BASE DISCLOSURE (DBD PAGE 1 OF 1)

GS Strategies, Inc., 550 E Hospitality Lane Ste 300 San Bernardino CA 92408 John Martindale	Phone: 9092285255 Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201	Fax: www.lwolf.com	971 Nadelhorn Dr.
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CALIFORNIA
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**NOTICE OF YOUR "SUPPLEMENTAL"
PROPERTY TAX BILL**
(C.A.R. Form SPT, Reviewed 6/25)

Name of Buyer(s) _____
Property Address 971 Nadelhorn Dr.
Lake Arrowhead, CA 92352

Pursuant to Civil Code § 1102.6c, Seller or his or her agent is providing this "Notice of Your 'Supplemental' Property Tax Bill":

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

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

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

By signing below, Buyer acknowledges that they have received a copy of this Notice of Your "Supplemental" Property Tax Bill, and they have read and understand its terms.

Buyer _____ Date _____

Buyer _____ Date _____

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SPT REVIEWED 6/25 (PAGE 1 OF 1)



NOTICE OF YOUR SUPPLEMENTAL PROPERTY TAX BILL (SPT PAGE 1 OF 1)

GS Strategies, Inc., 550 E Hospitality Lane Ste 300 San Bernardino CA 92408
John Martindale

Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201

Phone: 9092285255

Fax:

www.lwolf.com

971 Nadelhorn Dr.



CALIFORNIA
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**LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS
DISCLOSURE, ACKNOWLEDGMENT AND ADDENDUM For
Pre-1978 Housing Sales, Leases, or Rentals**
(C.A.R. Form LPD, Revised 12/24)

The following terms and conditions are hereby incorporated in and made a part of the Purchase Agreement, OR
☐ Residential Lease or Month-to-Month Rental Agreement, ☐ Other:
 dated _____, on property known as: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352 ("Property")
 in which _____ is referred to as Buyer or Tenant
 and Matthew L. Taylor, Partition Referee is referred to as Seller or Housing Provider.
 Buyer/Tenant and Seller/Housing Provider are referred to as the "Parties."

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

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

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

1. SELLER'S OR HOUSING PROVIDER'S DISCLOSURE:

A. I (we) have no knowledge of lead-based paint and/or lead-based paint hazards in the housing other than the following: _____

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

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

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

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

Seller or Housing Provider Matthew L. Taylor, Partition Referee

Date 2.24.26

Seller or Housing Provider _____

Date _____



Property Address: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352Date February 24, 2026**2. LISTING AGENT'S ACKNOWLEDGMENT:**

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

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

GS Strategies, Inc.

Agent (Broker representing Seller or Housing Provider)
(Please print)

By ^{Authentisign}
John B. Martindale
Associate-Licensee or Broker Signature
John B. Martindale

02/24/2026

Date

3. BUYER'S OR TENANT'S ACKNOWLEDGMENT:

- A. (1) I (we) have received copies of all records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing listed, if any, in **paragraph 1** above
(2) (if initialed) _____ / _____ I have not received any records and reports regarding lead-based paint and/or lead-based paint hazards in the housing.
- B. I have received the pamphlet "Protect Your Family From Lead In Your Home" or an equivalent pamphlet approved for use in the State such as "The Homeowner's Guide to Environmental Hazards and Earthquake Safety."
- C. If delivery of any of the disclosures or pamphlet referenced in paragraph 1 above occurs after Acceptance of an offer to purchase, Buyer has a right to cancel pursuant to the purchase contract. If you wish to cancel, you must act within the prescribed period.
- D. For Sales Transactions Only: Buyer acknowledges the right for **10 days**, unless otherwise agreed in the real estate purchase contract, to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead based paint hazards; OR, (if checked) ☐ Buyer waives the right to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

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

Buyer or Tenant_____
Date_____
Buyer or Tenant_____
Date**4. BUYER OR TENANT AGENT'S ACKNOWLEDGMENT:**

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

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

Agent (Broker obtaining the Offer)
(Please print)

By _____

Associate-Licensee or Broker Signature

Date

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LPD REVISED 12/24 (PAGE 2 OF 2)



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

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CALIFORNIA
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USE OF NON-STANDARD FORMS ADVISORY

(C.A.R. Form NSF, 6/22)

Property Address: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352

1. **TRANSACTION DOCUMENTS:** You will be asked to review, sign or initial many documents as part of the purchase/sale of real property or a mobile/manufactured home. Organizations such as the California Association of REALTORS® (C.A.R.), a local Association of REALTORS® (Local AOR), or other entities that have no interest in your individual transaction, have prepared documents that are used by real estate licensees and their clients to enable buyers and sellers to enter into a purchase/sale transaction and address many issues that might arise during the transaction. Documents that are prepared by such organizations are referred to as "standard forms." These standard forms may be prepared for use statewide or regionally.
2. **ADVANTAGES OF STANDARD FORMS:** Standard forms are prepared by persons knowledgeable in real estate practice and law and designed to address commonalities that occur in such transactions without favoring buyer or seller in any individual transaction. Standard forms are easily accessible by real estate licensees. Because of their widespread presence, their use in a transaction can help facilitate the purchase/sale process from beginning to end.
3. **NON-STANDARD FORMS:** Non-standard forms are commonly associated with and prepared by a person or entity that is either a buyer or seller or a representative of such principal. Real estate licensees who are not associated with such principals may not be aware of the terms contained in those documents, have access to them or their development, or be aware of changes made to them. Therefore, those agents cannot provide their buyers or sellers advice on how to proceed in a transaction involving non-standard forms or whether the terms in such forms are beneficial or detrimental to the client's interests. What follows are some examples of terms that have appeared in some non-standard forms:
 - A. Waivers of statutory rights created by the California legislature, local government or under federal law, even if not permitted under the applicable law;
 - B. Blanket, automatic waivers of all contingencies;
 - C. Applying the "passive" or "automatic" contingency removal method to the transaction, regardless of other documents in the transaction rather than the "active" method that requires written removal of contingencies;
 - D. Providing for non-refundable or automatic release of deposits, regardless of fault;
 - E. Attempt to limit liability of other parties by including release language, hold harmless clauses, indemnification agreements or other wording to limit the responsibility or liability of one party or the legal rights of the other.
4. **BROKER ADVICE:** Because non-standard forms may contain terms and conditions that differ from standard forms, and your real estate licensee is obligated to present to you all documents received from another party to your transaction, you are advised that:
 - A. Non-standard forms may contain terms and conditions that differ from standard forms;
 - B. Non-standard forms may contain terms and conditions which are not in your best interest or may negatively impact your legal, contractual and financial rights and obligations; and
 - C. Your real estate licensee cannot advise you on the legal and practical implications of non-standard forms.

You are advised to consult a qualified California real estate attorney of your choice before making the decision to proceed in a transaction with non-standard forms. If you fail to do so, you are acting against the advice of your broker.

The person(s) signing below has read and understands this Use of Non-Standard Forms Advisory and acknowledges receipt of a copy.


Matthew L. Taylor, Partition Referee

Date 7-29-26

Date _____

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NSF 6/22 (PAGE 1 OF 1)



USE OF NON-STANDARD FORMS ADVISORY (NSF PAGE 1 OF 1)



CALIFORNIA
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AGENT VISUAL INSPECTION DISCLOSURE

(CALIFORNIA CIVIL CODE § 2079 ET SEQ.)

For use by an agent when a transfer disclosure statement is
required or when a seller is exempt from completing a TDS

(C.A.R. Form AVID, Revised 6/24)

This inspection disclosure concerns the residential property situated in the City of Lake Arrowhead,
County of San Bernardino, State of California, described as 971 Nadelhorn Dr.

TRACT 7513 LOT 4 TRACT NO 751 3 ARROWHEAD WOODS TR NO 10 8 LOT 4 ("Property").

☐ This Property is a duplex, triplex, or fourplex. An AVID is required for all units. This AVID form is for ALL units (or ☐ only unit(s) _____).

Inspection Performed By (Real Estate Broker Firm Name) GS Strategies Inc.

California law requires, with limited exceptions, that a real estate broker or salesperson (collectively, "Agent") conduct a reasonably competent and diligent **visual** inspection of reasonably and normally accessible areas of certain properties offered for sale and then disclose to the prospective purchaser material facts affecting the value or desirability of that property that the inspection reveals. The duty applies regardless of whom that Agent represents. The duty applies to residential real properties containing one-to-four dwelling units, and manufactured homes (mobilehomes). The duty applies to a stand-alone detached dwelling (whether or not located in a subdivision or a planned development) or to an attached dwelling such as a condominium. The duty also applies to a lease with an option to purchase, a ground lease or a real property sales contract of one of those properties.

California law does not require the Agent to inspect the following:

- Areas that are not reasonably and normally accessible
- Areas off site of the property
- Public records or permits
- Common areas of planned developments, condominiums, stock cooperatives and the like.

Agent Inspection Limitations: Because the Agent's duty is limited to conducting a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of only the Property being offered for sale, there are several things that the Agent will not do. What follows is a non-exclusive list of examples of limitations on the scope of the Agent's duty.

Roof and Attic: Agent will not climb onto a roof or into an attic.

Interior: Agent will not move or look under or behind furniture, pictures, wall hangings or floor coverings. Agent will not look up chimneys or into cabinets, or open locked doors.

Exterior: Agent will not inspect beneath a house or other structure on the Property, climb up or down a hillside, move or look behind plants, bushes, shrubbery and other vegetation or fences, walls or other barriers.

Appliances and Systems: Agent will not operate appliances or systems (such as, but not limited to, electrical, plumbing, pool or spa, heating, cooling, septic, sprinkler, communication, entertainment, well or water) to determine their functionality.

Size of Property or Improvements: Agent will not measure square footage of lot or improvements, or identify or locate boundary lines, easements or encroachments.

Environmental Hazards: Agent will not determine if the Property has mold, asbestos, lead or lead-based paint, radon, formaldehyde or any other hazardous substance or analyze soil or geologic condition.

Off-Property Conditions: By statute, Agent is not obligated to pull permits or inspect public records. Agent will not guarantee views or zoning, identify proposed construction or development or changes or proximity to transportation, schools, or law enforcement.

Analysis of Agent Disclosures: For any items disclosed as a result of Agent's visual inspection, or by others, Agent will not provide an analysis of or determine the cause or source of the disclosed matter, nor determine the cost of any possible repair.

What this means to you: An Agent's inspection is not intended to take the place of any other type of inspection, nor is it a substitute for a full and complete disclosure by a seller. Regardless of what the Agent's inspection reveals, or what disclosures are made by sellers, California Law specifies that a buyer has a duty to exercise reasonable care to protect himself or herself. This duty encompasses facts which are known to or within the diligent attention and observation of the buyer. Therefore, in order to determine for themselves whether or not the Property meets their needs and intended uses, as well as the cost to remedy any disclosed or discovered defect, **BUYER SHOULD: (1) REVIEW ANY DISCLOSURES OBTAINED FROM SELLER; (2) OBTAIN ADVICE ABOUT, AND INSPECTIONS OF, THE PROPERTY FROM OTHER APPROPRIATE PROFESSIONALS; AND (3) REVIEW ANY FINDINGS OF THOSE PROFESSIONALS WITH THE PERSONS WHO PREPARED THEM. IF BUYER FAILS TO DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKER.**

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AVID REVISED 6/24 (PAGE 1 OF 3)

Buyer's Initials _____ / _____



AGENT VISUAL INSPECTION DISCLOSURE (AVID PAGE 1 OF 3)

GS Strategies, Inc., 550 E Hospitality Lane Ste 300 San Bernardino CA 92408
John Martindale

Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201

Phone: 9092285255

Fax:

www.lwof.com

971 Nadelhorn Dr.

If this Property is a duplex, triplex, or fourplex, this AVID is for unit # _____.

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

Entry (excluding common areas): Deferred maintenance was noted. The flooring, baseboards and show signs of wear.

Living Room: There are cracks in the corners of the drywall extending out from the windows.

Dining Room: Deferred maintenance was noted. The flooring, baseboards and show signs of wear.

Kitchen: The kitchen has been remodeled, there are signs of deferred maintenance and wear. The mechanical systems, plumbing and electrical fixtures were not tested.

Other Room: Laundry room: flooring dips and slopes towards the outside wall.

Hall/Stairs (excluding common areas): Deferred maintenance was noted. The flooring, baseboards and show signs of wear.

Bedroom # 1: Deferred maintenance was noted. The flooring, baseboards and show signs of wear. There are cracks in the corners of the drywall extending out from the windows.

Bedroom # 2: Deferred maintenance was noted. The flooring, baseboards and show signs of wear. There are cracks in the corners of the drywall extending out from the windows.

Bedroom # 3: Deferred maintenance was noted. The flooring, baseboards and show signs of wear. There are cracks in the corners of the drywall extending out from the windows.

Bedroom # 4: Deferred maintenance was noted. The flooring, baseboards and show signs of wear. There are cracks in the corners of the drywall extending out from the windows.

Bath # 1: The kitchen has been remodeled, there are signs of deferred maintenance and wear. The mechanical systems, plumbing and electrical fixtures were not tested.

Bath # 2: The kitchen has been remodeled, there are signs of deferred maintenance and wear. The mechanical systems, plumbing and electrical fixtures were not tested.

Bath # _____:

Bath # _____:



If this Property is a duplex, triplex, or fourplex, this AVID is for unit # _____

Other: _____

Other: _____

Other: _____

☐ See Addendum for additional rooms/structures: _____

Garage/Parking (excluding common areas): No garage. There is a circular driveway at the street. The property slopes steeply away from the street.

Exterior Building and Yard - Front/Sides/Back: The stairs, landings and railing are damaged and one side is deteriorated. The siding shows signs of deferred maintenance. Paint is wearing. The decks and railings are unsafe.

Other Observed or Known Conditions Not Specified Above: The buyer is encouraged to complete any and all inspections and reports to satisfy themselves with the condition of home, property and its surroundings. The seller is exempt from disclosures.

This disclosure is based on a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of the Property on the date specified above.

Real Estate Broker (Name of Firm that performed the inspection): GS Strategies Inc.

Inspection Performed By (Name of individual agent or broker): John B. Martindale

Inspection Date/Time: 10/06/2025 1:00 pm Weather conditions: Clear and warm

Other persons present: None.

By John B. Martindale Date 02/24/2026
(Signature of Associate Licensee or Broker who performed the inspection)

Reminder: Not all defects are observable by a real estate licensee conducting an inspection. The inspection does not include testing of any system or component. Real Estate Licensees are not home inspectors or contractors. BUYER SHOULD OBTAIN ADVICE ABOUT AND INSPECTIONS OF THE PROPERTY FROM OTHER APPROPRIATE PROFESSIONALS. IF BUYER FAILS TO DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKER.

I/we acknowledge that I/we have read, understand and received a copy of this disclosure.

Buyer _____ Date _____
Buyer _____ Date _____

I/we acknowledge that I/we have received a copy of this disclosure.

(The initials below and Broker signature are not required but can be used as evidence that the initialing or signing party has received the completed form.)

Seller [Signature]

Real Estate Broker (that did NOT fill out this AVID) _____
By _____ Date _____
(Associate Licensee or Broker Signature)

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AGENT VISUAL INSPECTION DISCLOSURE (AVID PAGE 3 OF 3)

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971 Nadelhorn Dr.





CALIFORNIA
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SQUARE FOOTAGE AND LOT SIZE ADVISORY AND DISCLOSURE

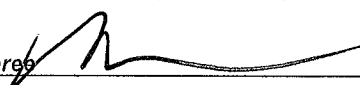
(C.A.R. Form SFLS, Revised 12/24)

Property Address: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352 ("Property")

- 1. DIFFERENT SOURCES OF SQUARE FOOTAGE MEASUREMENTS:** Measurements of structures vary from source to source and that data is often contradictory. There is no one "official" size source or a "standard" method of calculating exterior structural size, interior space or square footage. Buyer should not rely on any advertised or disclosed square footage measurements and should retain their own experts to measure, as applicable, structure size and square footage during their investigation period, if any. This is especially important if Buyer is using square footage to determine whether to purchase the Property or are using a price per square foot to determine purchase price. Price per square foot calculations are generally broad estimates only, which can vary greatly depending upon property location, type of property and amenities. Such calculations should not be relied upon by Buyer and the accuracy of any such figures should be independently verified by Buyer with their own experts including, but not limited to, a licensed appraiser.
- 2. PROPERTY (LOT) SIZE, DIMENSIONS, CONFIGURATIONS, AND BOUNDARIES:** Fences, hedges, walls, retaining walls, and other barriers or markers may not correspond with any legally-defined property boundaries. Existing structures or amenities may not be located within the actual property boundaries or local setback requirements. If lot size, dimensions, property configurations, boundary lines, and locations of improvements are important to Buyer's decision to purchase or the price Buyer is willing to pay, then Buyer should independently investigate by retaining the services of a licensed surveyor, the only professional who can accurately determine lot dimensions, boundary locations and acreage for the Property.
- 3. BROKER OBLIGATIONS:** Brokers and Agents do not have expertise in determining the exact square footage and lot size. Broker has not and will not verify the accuracy of any numerical statements regarding square footage, room dimensions, or lot size, or the location of boundaries.
- 4. DISCLOSURE OF MEASUREMENTS AND SOURCES:** ~~Square footage and/or lot size numbers inserted into the spaces below, if any, were taken from the referenced source and may be approximations only. Other measurement sizes may exist from other sources:~~

Source of Information	Sq. Footage	Lot Size	Additional Information	If checked, report attached
Public Record				☐
Multiple Listing Service				☐
Seller			Measurement comes from the following source:	☐
Appraisal #1				☐
Appraisal #2				☐
Condominium Map/Plan				☐
Architectural Drawings				☐
Floor Plan/Drawings				☐
Survey				☐
Other				☐
Other				☐

By signing below, Seller: (i) represents that Seller is not aware of any other measurements of the Property; and (ii) acknowledges that Seller has read, understands, and received a Copy of this Square Footage and Lot Size Advisory and Disclosure. Seller is encouraged to read it carefully.

Seller Matthew L. Taylor, Partition Referee  Date 2-24-26
 Seller _____ Date _____

By signing below, Buyer acknowledges that Buyer has read, understands, and received a Copy of this Square Footage and Lot Size Advisory and Disclosure. Buyer is encouraged to read it carefully. IF NO INFORMATION IS PROVIDED AND/OR ANY OF THESE MEASUREMENTS ARE MATERIAL TO BUYER, BUYER IS STRONGLY ADVISED TO INVESTIGATE THE VALIDITY, ACCURACY, OR EXISTENCE OF ANY MEASUREMENTS PROVIDED HEREIN OR OTHERWISE. IF BUYER DOES NOT DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKERS AND AGENTS.

Buyer _____ Date _____
 Buyer _____ Date _____

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SFLS REVISED 12/24 (PAGE 1 OF 1)

SQUARE FOOTAGE AND LOT SIZE ADVISORY AND DISCLOSURE (SFLS PAGE 1 OF 1)



CALIFORNIA
ASSOCIATION
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EXEMPT SELLER DISCLOSURE

Use by Sellers Who Are Exempt From Completing a TDS,
Or For Any Seller Who Does Not Provide a SPQ.
(C.A.R. Form ESD, Revised 6/23)

Seller makes the following disclosures with regard to the real property or manufactured home described as 971 Nadelhorn Dr.
situated in Lake Arrowhead (City), San Bernardino (County),
California, 92352 (Zip Code), Assessor's Parcel No. 0333-783-04-0000 ("Property").

☐ This property is a duplex, triplex or fourplex. An ESD is required for all units. This ESD is for all units (or ☐ only unit(s) _____).

1. A. Under California law (Civil Code §1102, et seq.) most Sellers of real property containing 1-4 residential units are required to provide prospective Buyers with a completed Real Estate Transfer Disclosure Statement ("TDS"). Certain Sellers are exempt from completing the TDS but not exempt from making other disclosures. Sellers who are not legally required to complete a TDS can use this form to make other required disclosures, including the disclosure of material facts of which they are aware.
- B. Under Civil Code §§ 1101.4 and 1101.5, non-compliant plumbing fixtures in any single family or multi-family residential real property built before January 1, 1994 shall be replaced by the Property owner with water- conserving plumbing fixtures.
2. **THE FOLLOWING ARE REPRESENTATIONS MADE BY THE SELLER AND ARE NOT THE REPRESENTATIONS OF THE AGENT(S), IF ANY. THIS DISCLOSURE STATEMENT IS NOT A WARRANTY OF ANY KIND BY THE SELLER OR ANY AGENT(S) AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN. A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF SELLER OR BUYER DESIRE LEGAL ADVICE, CONSULT AN ATTORNEY.**
3. Are you (Seller) aware of any of the following? (Explain any "yes" answers below.)
 - A. Within the last 3 years, the death of an occupant of the Property upon the Property ☐ Yes ☒ No
 - B. An Order from a government health official identifying the Property as being contaminated by methamphetamine. (If yes, attach a copy of the Order.) ☐ Yes ☒ No
 - C. The release of an illegal controlled substance on or beneath the Property ☐ Yes ☒ No
 - D. Whether the Property is located in or adjacent to an "industrial use" zone ☐ Yes ☒ No
(In general, a zone or district allowing manufacturing, commercial or airport uses.)
 - E. Whether the Property is affected by a nuisance created by an "industrial use" zone ☐ Yes ☒ No
 - F. Whether the Property is located within 1 mile of a former federal or state ordnance location
(In general, an area once used for military training purposes that may contain potentially explosive munitions.) ☐ Yes ☒ No
 - G. Whether the Property is a condominium or located in a planned unit development or other common interest subdivision ☐ Yes ☒ No
 - H. Insurance claims affecting the Property within the past 5 years..... ☐ Yes ☒ No
 - I. Matters affecting title of the Property ☐ Yes ☒ No
 - J. Plumbing fixtures on the Property that are non-compliant plumbing fixtures as defined by Civil Code § 1101.3 ☐ Yes ☒ No
 - K. Any other material facts or defects affecting the Property, or material documents in Seller's possession affecting the Property, not otherwise disclosed to Buyer ☐ Yes ☒ No
Explanation, or ☐ (if checked) see attached;

Seller is a Partition Referee for the Superior Court and has no personal knowledge of the items on this page. Buyer is encouraged to conduct their own investigations to satisfy their due diligence.

Seller represents that the information herein is true and correct to the best of Seller's knowledge as of the date signed by Seller. Seller hereby authorizes any agent(s) representing any principal(s) in this transaction to provide a Copy of this statement to any person or entity in connection with any actual or anticipated sale of the Property.

Seller Matthew L. Taylor, Partition Referee Date 2-29-26
Seller _____ Date _____

By signing below, Buyer acknowledges Buyer has received, read, and understands this Exempt Seller Disclosure form.

Buyer _____ Date _____
Buyer _____ Date _____

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525 South Virgil Avenue, Los Angeles, California 90020

ESD REVISED 6/23 (PAGE 1 OF 1)



EXEMPT SELLER DISCLOSURE (ESD PAGE 1 OF 1)



CALIFORNIA
ASSOCIATION
OF REALTORS®

REAL ESTATE TRANSFER DISCLOSURE STATEMENT

(CALIFORNIA CIVIL CODE §1102, ET SEQ.)

(C.A.R. Form TDS, Revised 6/24)

☐ This property is a duplex, triplex or fourplex. A TDS is required for all units. This TDS is for ALL units (or ☐ only unit(s) ____).
THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF Lake Arrowhead, COUNTY OF San Bernardino, STATE OF CALIFORNIA,
DESCRIBED AS 971 Nadelhorn Dr., Lake Arrowhead, CA 92352.

THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE WITH § 1102 OF THE CIVIL CODE AS OF (DATE) 02/24/2026. IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.

I. COORDINATION WITH OTHER DISCLOSURE FORMS

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

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

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

☐ No substituted disclosures for this transfer.

II. SELLER'S INFORMATION

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

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

Seller ☐ is ☐ is not occupying the property.

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

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

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

(*see note on page 2)

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TDS REVISED 6/24 (PAGE 1 OF 3)

Buyer's Initials _____ / _____

Seller's Initials Non / _____



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

GS Strategies, Inc., 550 E Hospitality Lane Ste 300 San Bernardino CA 92408
John Martindale

Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201

Phone: 9092285255

Fax:

971 Nadelhorn Dr.

www.lwolf.com

Property Address: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352

Date: February 24, 2026

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

☐ Interior Walls ☐ Ceilings ☐ Floors ☐ Exterior Walls ☐ Insulation ☐ Roof(s) ☐ Windows ☐ Doors ☐ Foundation ☐ Slab(s)

☐ Driveways ☐ Sidewalks ☐ Walls/Fences ☐ Electrical Systems ☐ Plumbing/Sewers/Septics ☐ Other Structural Components

(Describe: _____)

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

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

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

1. Substances, materials, or products which may be an environmental hazard such as, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, mold, fuel or chemical storage tanks, and contaminated soil or water on the subject property. ☐ Yes ☐ No
 2. Features of the property shared in common with adjoining landowners, such as walls, fences, and driveways, whose use or responsibility for maintenance may have an effect on the subject property. ☐ Yes ☐ No
 3. Any encroachments, easements or similar matters that may affect your interest in the subject property. ☐ Yes ☐ No
 4. Room additions, structural modifications, or other alterations or repairs made without necessary permits. ☐ Yes ☐ No
 5. Room additions, structural modifications, or other alterations or repairs not in compliance with building codes. ☐ Yes ☐ No
- (Note to C4 and C5: If transferor acquired the property within 18 months of accepting an offer to sell it, transferor shall make additional disclosures regarding the room additions, structural modifications, or other alterations or repairs on a Seller Property Questionnaire (G.A.R. Form SPQ).)
6. Fill (compacted or otherwise) on the property or any portion thereof. ☐ Yes ☐ No
 7. Any settling from any cause, or slippage, sliding, or other soil problems. ☐ Yes ☐ No
 8. Flooding, drainage or grading problems. ☐ Yes ☐ No
 9. Major damage to the property or any of the structures from fire, earthquake, floods, or landslides. ☐ Yes ☐ No
 10. Any zoning violations, nonconforming uses, violations of "setback" requirements. ☐ Yes ☐ No
 11. Neighborhood noise problems or other nuisances. ☐ Yes ☐ No
 12. CC&R's or other deed restrictions or obligations. ☐ Yes ☐ No
 13. Homeowners' Association which has any authority over the subject property. ☐ Yes ☐ No
 14. Any "common area" (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others). ☐ Yes ☐ No
 15. Any notices of abatement or citations against the property. ☐ Yes ☐ No
 16. Any lawsuits by or against the Seller threatening to or affecting this real property, claims for damages by the Seller pursuant to § 940 or 944 threatening to or affecting this real property, claims for breach of warranty pursuant to § 900 threatening to or affecting this real property, or claims for breach of an enhanced protection agreement pursuant to § 903 threatening to or affecting this real property, including any lawsuits or claims for damages pursuant to § 940 or 944 alleging a defect or deficiency in this real property or "common areas" (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others). ☐ Yes ☐ No

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

- D: 1. The Seller certifies that the property, as of the close of escrow, will be in compliance with § 13113.8 of the Health and Safety Code by having operable smoke detector(s) which are approved, listed, and installed in accordance with the State Fire Marshal's regulations and applicable local standards.
2. The Seller certifies that the property, as of the close of escrow, will be in compliance with § 19241 of the Health and Safety Code by having the water heater tank(s) braced, anchored, or strapped in place in accordance with applicable law.

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

Seller Matthew L. Taylor, Partition Referee Date 2-24-26

Seller _____ Date _____

TDS REVISED 6/24 (PAGE 2 OF 3)

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

Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwof.com 971 Nadelhorn Dr.

Buyer's Initials _____ / _____



Property Address: **971 Nadelhorn Dr., Lake Arrowhead, CA 92352**

Date: **February 24, 2026**

III. AGENT'S INSPECTION DISCLOSURE

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

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

- ☒ See attached Agent Visual Inspection Disclosure (AVID Form)
☐ Agent notes no items for disclosure.
☒ Agent notes the following items: **As Partition Referee, Matthew L. Taylor and his representatives are exempt from disclosure. Buyer is encouraged to complete all necessary inspections to satisfy themselves as to the suitability of the subject property and it's surroundings for it's intended use. Buyer understands they are responsible for ALL retrofit requirements. Property is sold in it's "As-Is, Where-is" condition.**

Agent (Broker Representing Seller) GS Strategies, Inc. (Please Print)
 By John B. Martindale John B. Martindale Date 02/24/2026
 (Associate Licensee or Broker Signature)

IV. AGENT'S INSPECTION DISCLOSURE

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

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

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

Agent (Broker Obtaining the Offer) _____ (Please Print)
 By _____ Date _____
 (Associate Licensee or Broker Signature)

V. BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND/OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN BUYER AND SELLER(S) WITH RESPECT TO ANY ADVICE/INSPECTIONS/DEFECTS.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT.

Seller Matthew L. Taylor, Partition Referee Date 2-24-26
 Seller _____ Date _____
 Buyer _____ Date _____
 Buyer _____ Date _____

Agent (Broker Representing Seller) GS Strategies, Inc. (Please Print)
 By John B. Martindale John B. Martindale Date 02/24/2026
 (Associate Licensee or Broker Signature)

Agent (Broker Obtaining the Offer) _____ (Please Print)
 By _____ Date _____
 (Associate Licensee or Broker Signature)

§ 1102.3 OF THE CIVIL CODE PROVIDES A BUYER WITH THE RIGHT TO RESCIND A PURCHASE CONTRACT FOR AT LEAST THREE DAYS AFTER THE DELIVERY OF THIS DISCLOSURE IF DELIVERY OCCURS AFTER THE SIGNING OF AN OFFER TO PURCHASE. IF YOU WISH TO RESCIND THE CONTRACT, YOU MUST ACT WITHIN THE PRESCRIBED PERIOD.

A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

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TDS REVISED 6/24 (PAGE 3 OF 3)

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

Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwof.com 971 Nadelhorn Dr.



I found the booklet, *The Homeowner's Guide to Environmental Hazards and Earthquake Safety*(with gas shut-off valve update) which includes the Federal Lead booklet and Toxic Mold Update:

- | | |
|--|--|
| ☐ Helpful | ☐ Clearly written |
| ☐ Too detailed | ☐ Confusing |
| ☐ Not detailed enough | |
-
- ☐ The booklet helped me to locate earthquake weaknesses in my home.
- ☐ I have strengthened my home to resist earthquakes.
- ☐ I plan to fix my home's earthquake weaknesses.
- ☐ The booklet helped me find out that my home did not have any earthquake weaknesses.

The year my home was built was 1977.

Comments: _____

We Want To Hear From You!

California Seismic Safety Commission
1900 K Street, Suite 100
Sacramento, California 95814-4186

To Whom It May Concern: I have received a copy of the Environmental Hazards and Earthquake Safety(with gas shut-off valve update)which includes the Federal Lead booklet and Toxic Mold Update, and Home Energy Rating booklet.

Property Address: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352

Date _____	Time _____	_____	_____
		(Buyer's signature)	(printed name)
Date _____	Time _____	_____	_____
		(Buyer's signature)	(printed name)
Date _____	_____	_____	_____
	(Buyer's Agent's signature)	(printed name)	(Broker's name)

NOTE: For applicable transactions, it is also necessary to complete C.A.R. Standard form FLD-11 (Lead-based paint and Lead-based paint Hazards Addendum, Disclosure and Acknowledgement.)

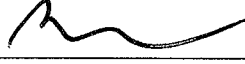
ALL SIGNERS SHOULD RETAIN A COPY OF THIS PAGE FOR THEIR RECORDS

California Civil Code Section 2079.10 states that if the HERS booklet is provided to the Buyer by the Seller or Broker, then this booklet is deemed to be adequate to inform the home buyer about the existence of California Home Energy Rating Program.

Revised 09/10 Official C.A.R.* Publication 09/10

To Whom It May Concern: I have received a copy of the Environmental Hazards and Earthquake Safety(with gas shut-off valve update)which includes the Federal Lead booklet and Toxic Mold Update, and Home Energy Rating booklet.

Property Address: 971 Nadelhorn Dr., Lake Arrowhead, CA 92352

Date <u>2-27-26</u>	Time _____		Matthew L. Taylor, Partition Referee
		(Sellers's signature)	(printed name)
Date _____	Time _____	_____	_____
	Authentisign	(Sellers's signature)	(printed name)
Date <u>02/24/2026</u>		John B. Martindale	GS Strategies, Inc.
	(Seller's Agent's signature)	(printed name)	(Broker's name)

NOTE: For applicable transactions, it is also necessary to complete C.A.R. Standard form FLD-11 (Lead-based paint and Lead-based paint Hazards Addendum, Disclosure and Acknowledgement.)

ALL SIGNERS SHOULD RETAIN A COPY OF THIS PAGE FOR THEIR RECORDS

California Civil Code Section 2079.10 states that if the HERS booklet is provided to the Buyer by the Seller or Broker, then this booklet is deemed to be adequate to inform the home buyer about the existence of California Home Energy Rating Program.

Revised 09/10 Official C.A.R.* Publication 09/10

HOMEOWNER'S GUIDE TO EARTHQUAKE SAFETY

Residential Earthquake Risk Disclosure Statement (2020 Edition)Name Matthew L. Taylor, Partition RefereeAssessor's Parcel No. 0333-783-04-0000Street Address 971 Nadelhorn Dr.Year Built 1977City Lake ArrowheadCounty San BernardinoZip Code 92352

Answer these questions to the best of your knowledge. If any of the questions are answered "No," your home is likely to have an elevated/disclosable earthquake risk. If you do not have actual knowledge as to whether these risks exist, answer "Don't Know." Questions answered "Don't Know" may indicate a need for further evaluation. If your home does not have the feature, answer "Doesn't Apply." If you corrected one or more of these risks, describe the work on a separate page. The page numbers in the right-hand column indicate where in this guide you can find information on each of these features.

	Yes	No	Doesn't Apply	Don't Know	See Page
1. Is the water heater braced to resist falling during an earthquake?	☒	☐	☐	☐	14
2. Is your home bolted to its foundation?	☐	☐	☐	☒	15
3. If your home has crawl space (cripple) walls:	☐	☐	☐	☒	
a. Are the exterior crawl space (cripple) walls braced?	☐	☐	☐	☒	17
b. If the exterior foundation consists of unconnected concrete piers and posts, have they been strengthened?	☐	☐	☐	☒	18
4. If the exterior foundation, or part of it, is made of unreinforced masonry, has it been strengthened?	☐	☐	☐	☒	19
5. If your home is on a hillside:	☐	☐	☐	☒	
a. Are the exterior tall foundation walls braced?	☐	☐	☐	☒	20
b. Are the tall posts or columns either built to resist earthquakes or have they been strengthened?	☐	☐	☐	☒	20
6. If the exterior walls of your home are made of unreinforced masonry, either completely or partially, have they been strengthened?	☐	☐	☐	☒	21
7. If your home has a room over the garage, is the wall around the garage door opening built to resist earthquakes or has it been strengthened?	☐	☐	☐	☒	22
8. Is your home outside an Alquist-Priolo Earthquake Fault Zone (an area immediately surrounding known active earthquake faults)?	<i>To be reported on the Natural Hazard Disclosure Statement</i>				
9. Is your home outside a Seismic Hazard Zone (an area identified as susceptible to liquefaction or a landslide)?	<i>To be reported on the Natural Hazard Disclosure Statement</i>				

As seller of the property described herein, I have answered the questions above to the best of my knowledge in an effort to disclose fully any potential earthquake risks it may have.

EXECUTED BY

Seller Matthew L. Taylor, Partition Referee

Seller

Date 12-29-26

I acknowledge receipt of the Homeowner's Guide to Earthquake Safety and this Disclosure Statement, completed and signed by the seller. I understand that if the seller has answered "No" to one or more questions, or if the seller has indicated a lack of knowledge, there may be one or more earthquake risks in this home.

Buyer

Buyer

Date

This Disclosure Statement is made in addition to the standard real estate transfer disclosure statement also required by law.

CONSUMER INFORMATION ACKNOWLEDGEMENT

I, the undersigned, acknowledge receipt of the "Homeowner's Combined Information Guides" booklet which includes the following publications:

1) Homeowner's Guide to Earthquake Safety

State of California Seismic Safety Commission

(<https://www.disclosuresource.com/downloads/earthquake.pdf>)

2) Protect Your Family From Lead in Your Home

United States Environmental Protection Agency

(<https://www.disclosuresource.com/downloads/lead.pdf>)

3) Residential Environmental Hazards - A Guide for Homeowners, Homebuyers, Landlords and Tenants

California Environmental Protection Agency

(<https://www.disclosuresource.com/downloads/environment.pdf>)

4) What is Your Home Energy Rating?

California Energy Commission

(<https://www.disclosuresource.com/downloads/HomeEnergyRating.pdf>)

Property Address:

971 Nadelhorn Dr., Lake Arrowhead, CA 92352

Buyer's Signature: _____

Date: _____

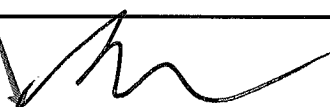
Buyer's Signature: _____

Date: _____

Selling Agent's Signature: _____

Date: _____

Seller's Signature: _____


Matthew L. Taylor, Partition Referee

Date: 2-24-26

Seller's Signature: _____

Date: _____

Listing Agent's Signature: _____

Authentisign

John B. Martindale

Date: 02/24/2026

DISCLOSURE REGARDING DEFECTIVE FURNACES

971 Nadelhorn Dr., Lake Arrowhead, CA 92352

Property

The U.S. Consumer Product Safety Commission (CPSC) has issued a warning, regarding certain gas-fired horizontal forced-air furnaces that present a substantial risk of fire. The furnaces in question were manufactured under many different names. Homes built before 1983 or after 1994 could still have the furnaces in question due to replacement or remodeling.

It is recommended that you have this issue investigated by a qualified professional to determine if the furnace in any property you are selling or buying is defective and or dangerous.

REAL ESTATE BROKERS AND AGENTS ARE NOT QUALIFIED TO INSPECT FURNACES OR TO MAKE ANY RECOMMENDATION OR DETERMINATION CONCERNING POSSIBLE DEFECTS OR HEALTH AND SAFETY ISSUES. THE PURPOSE OF THIS DISCLOSURE IS TO PUT BUYERS AND SELLERS ON NOTICE TO CONDUCT THEIR OWN DUE DILIGENCE REGARDING THIS MATTER USING APPROPRIATE QUALIFIED EXPERTS.

ACKNOWLEDGEMENT OF RECEIPT

The undersigned parties acknowledge receipt of a copy of this disclosure.

BUYER _____ DATE _____

SELLER DATE
Matthew L. Taylor, Partition Referee

BUYER _____ DATE _____

SELLER DATE



Property Address:
971 Nadelhorn Dr.

Lake Arrowhead, CA 92352

I have received a copy of the **WHAT IS YOUR HOME ENERGY RATING?** booklet (CEC-400-2009-008-BR-REV1)

Buyer's Signature

Printed Name

Date

Buyer's Signature

Printed Name

Date

Buyer's Agent Signature

Printed Name

Date

Seller's Signature

Broker's Name

Matthew L. Taylor, Partition Referee

Printed Name

Date

Seller's Signature

Printed Name

Date

Authentisign
John B. Martindale

Listing Agent's Signature

John B. Martindale

Printed Name

02/24/2026

Date

GS Strategies, Inc.

Broker's Name

ALL SIGNERS SHOULD RETAIN A COPY OF THIS PAGE FOR THEIR RECORDS

California Civil Code Section 2079.10 states that if this booklet is provided to the buyer by the seller or broker, then this booklet is deemed to be adequate to inform the home buyer about the existence of California Home Energy Rating Program.

For more information, visit: www.energy.ca.gov/HERS/index.html



NATURAL HAZARD DISCLOSURE STATEMENT

Report Date: 1/8/2026
 Report Number: 62881-214
 Subject Property: 971 NADELHORN DR
 APN: 0333-783-04-0000
 Page Number: 1 (Signature Page)

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

APN: 0333-783-04-0000 ADDRESS: 971 NADELHORN DR LAKE ARROWHEAD, CA 92352

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 HIGH or VERY HIGH FIRE HAZARD SEVERITY ZONE (FHSZ) as identified by the Director of Forestry and Fire Protection pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code. The owner of this property is subject to the maintenance requirements of Section 51182 of the Government Code.

☒ Yes ☐ No

High FHSZ in a state responsibility area (SRA) ☐ Yes ☒ No
 Very High FHSZ in a state responsibility area (SRA) ☒ Yes ☐ No
 High or Very High FHSZ in a local responsibility area (LRA) ☐ Yes ☒ No

A WILDLAND AREA (State Responsibility Area/SRA) 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

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

☐ Yes ☒ No

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) Matthew L. Taylor, Partition Referee Date 2-29-26 Signature of Seller(s) _____ Date _____
 Signature of Agent(s) John B. Martindale Date 02/24/2026 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) MyNHD, Inc. Date 1/9/2026

PLEASE VERIFY THE STREET ADDRESS AND ASSESSOR'S PARCEL NUMBER PROVIDED TO MyNHD FOR ACCURACY.

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, the Terms and Conditions, and the additional disclosures, determinations and legal information provided in this Report, in the AB 38 Advisory and information, 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 https://www.MynHD.com/booklets/combined_booklets_engl.pdf. Irrespective of the flood and fire zone determinations, insurance companies may, at their discretion, require additional flood and /or fire insurance based upon their assessment and the location of the parcel. Please check with your insurance provider for up to date quotes, coverages and insurability.

Signature of Buyer(s) _____ Date _____ Signature of Buyer(s) _____ Date _____



VIEW MAPS

Report Date: 1/8/2026
 Report Number: 62881-214
 Subject Property: 971 NADELHORN DR
 APN: 0333-783-04-0000
 Page Number: 2 (Summary Page)

NATURAL HAZARD DISCLOSURE REPORT SUMMARY

Subject Property: 971 NADELHORN DR LAKE ARROWHEAD, CA 92352

APN: 0333-783-04-0000

This property is located in/within:

	Yes	No
A Special Flood Hazard Area	☐	☒
An Area of Potential Flooding Due to Dam Inundation	☐	☒
A state level High or Very High Fire Hazard Severity Zone (AB 38)	☒	☐
A WILDLAND AREA (State Responsibility Area or SRA)	☒	☐
A High or Very High Fire Hazard Zone in the SRA (AB 38)	☒	☐
An Earthquake Fault Zone	☐	☒
A Landslide Seismic Hazard Zone	☐	☐
A Liquefaction Seismic Hazard Zone	☐	☐
1 Mile of a Former Military Ordnance Site	☐	☒
1 Mile of a Commercial/Industrial Use Zone	☐	☒
2 Miles of FAA Approved Landing Facility	☐	☒
An Airport Influence Area	☐	☒
Tsunami Inundation Hazard	☐	☒
Right to Farm/Important Farmland	☐	☒
A Naturally Occurring Asbestos Area	☐	☒
Critical Habitats	☐	☒
1 Mile of a Mining Operation	☐	☒
Sustainable Groundwater Management Act	☐	☒
Within an Oil Field Boundary	☐	☒
Gas and Hazardous Liquid Transmission Pipelines	Included	
City/County Hazard Disclosures	☒	☐
City/County Supplemental Fire Zone	☐	☒
A Mello-Roos Community Facility District	☐	☒
A Special Tax Assessment District	☐	☒
Property Tax Breakdown/Tax Calculator	Included	
Notice of Supplemental Property Tax Bill/Transfer Tax Disclosure	Included	
Notice of Database Disclosure/Duct Sealing Requirements	Included	
Contaminated Water Advisory	Included	
Notice of Energy Efficiency Standards/Tax Credit Advisory	Included	
Notice of Williamson Act/Fire Burn Area/Insurance Advisory	Included	
Mold Addendum/Notice of Methamphetamine Contamination	Included	
Notice of Abandoned Water Wells and Oil/Gas Wells	Included	
Notice of Naturally Occurring Asbestos / Radon Gas Advisory	Included	
Notice of Abandoned Mines/Wood-Burning Heater Advisory	Included	
Environmental Report	Included	
Notice of Terms and Conditions	Included	

Details:

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Seismic

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This Report Summary merely summarizes the research results contained in this full MyNHD 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.



Report Date: 1/8/2026
 Report Number: 62881-214
 Subject Property: 971 NADELHORN DR
 LAKE ARROWHEAD, CA 92352
 APN: 0333-783-04-0000

Additional Acknowledgement of Receipt

Subject Property: 971 NADELHORN DR LAKE ARROWHEAD, CA 92352

With my signature below, I acknowledge that I have received the following pamphlet(s) in this transaction via the links below:

- The California "Residential Environmental Hazards" (2011)
https://www.mynhd.com/booklets/combined_booklets_engl.pdf
 including but not limited to:
 - Asbestos
 - Carbon Monoxide
 - Formaldehyde
 - Hazardous Waste
 - Household Hazardous Waste
 - Lead
 - Mold
 - Radon
- The California "Homeowner's Guide to Earthquake Safety" (2020)
<https://www.mynhd.com/booklets/Homeowners-Guide-to-EQ-Safety.pdf>
 including but not limited to:
 - Earthquake Weaknesses
 - Geologic Hazards
 - Natural Gas Safety
- California Department of Public Health (CDPH) Indoor Air Quality (IAQ) Info Sheet: "Mold or Moisture in My Home: What Do I Do? (2016)
<https://www.mynhd.com/booklets/moldguide.pdf>
- U.S. EPA "Protect Your Family From Lead In Your Home" (2021) pamphlet:
https://www.mynhd.com/booklets/lead_in_your_home_booklet.pdf
- The California Energy Commission "Home Energy Rating: (2011) pamphlet:
<https://www.mynhd.com/booklets/HomeEnergyRatingPamphlet.pdf>

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, NHD Statement/Report, the Terms and Conditions, and the additional disclosures, determinations and legal information provided in this Report, in the AB 38 Advisory and information, 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 www.MyNHD.com/booklets/combined_booklets_engl.pdf. Irrespective of the flood and fire zone determinations, insurance companies may, at their discretion, require additional flood and/or fire insurance based upon their assessment and the location of the parcel. Please check with your insurance provider for up to date quotes, coverages and insurability.

Signature of Buyer(s)

Date

Signature of Seller(s)

Date

Matthew L. Taylor, Partition Referee

Signature of Buyer(s)

Date

Signature of Seller(s)

Date

John B. Martindale

02/24/2026

Agent

Date

Agent

John B. Martindale

Date



CALIFORNIA
ASSOCIATION
OF REALTORS®

FIRE HARDENING AND DEFENSIBLE SPACE DISCLOSURE AND ADDENDUM (C.A.R. Form FHDS, Revised 6/25)

This is a disclosure and addendum to the Purchase Agreement, OR ☐ Other _____ ("Agreement"),
dated _____, on property known as 971 NADELHORN DR LAKE ARROWHEAD, CA 92352 ("Property"),
in which _____ is referred to as Buyer,
and Matthew L. Taylor, Partition Referee is referred to as Seller.

1. **LAW APPLICABILITY:** If this property does not meet the conditions stated in **paragraph 1A or 1B**, there is no requirement to complete the subsequent applicable paragraphs.

- A. Home Fire Hardening Disclosure:** The Notice and disclosure of vulnerabilities in **paragraph 2** are only required for sellers of residential properties if: (i) the Property contains one to four units; (ii) the seller is required to complete a Transfer Disclosure Statement (C.A.R. Form TDS or MHTDS); (iii) the Property is located in either a **high or very high** fire hazard severity zone; and (iv) the improvement(s) on the Property were constructed before January 1, 2010. IF ANY OF THESE FOUR CONDITIONS IS NOT MET, SELLER DOES NOT HAVE TO ANSWER THE QUESTIONS IN **PARAGRAPH 2B AND 2C**.
- B. Defensible Space Compliance:** The disclosures and requirements specified in **paragraph 3** are only required for sellers of residential properties if: (i) the Property contains one to four units; (ii) the seller is required to complete a Transfer Disclosure Statement (C.A.R. Form TDS or MHTDS); and (iii) the Property is located in either a **high or very high** fire hazard severity zone. IF ANY OF THESE THREE CONDITIONS IS NOT MET, **PARAGRAPH 3** DOES NOT HAVE TO BE COMPLETED.
- C. Fire Hazard Severity Zone Status:** It may be possible to determine if a property is in a **high or very high** fire hazard severity zone by consulting with a natural hazard zone disclosure company or reviewing the company's report. This information may also be available through a local agency where this information should have been filed. Cal Fire has a "Fire Hazard Severity Zone Viewer" where you can input the Property address to determine which fire hazard zone, if any, that the Property is located in. A link to the viewer can be found on Cal Fire's website at <https://www.fire.ca.gov/dspace/>.

2. **FIRE HARDENING DISCLOSURE** (☐ Property is built on or after January 1, 2010. Paragraphs 2B and 2C do not have to be completed):

- A. FIRE HARDENING STATUTORY NOTICE:** "THIS HOME IS LOCATED IN A HIGH OR VERY HIGH FIRE HAZARD SEVERITY ZONE AND THIS HOME WAS BUILT BEFORE THE IMPLEMENTATION OF THE WILDFIRE URBAN INTERFACE BUILDING CODES WHICH HELP TO FIRE HARDEN A HOME. TO BETTER PROTECT YOUR HOME FROM WILDFIRE, YOU MIGHT NEED TO CONSIDER IMPROVEMENTS. INFORMATION ON FIRE HARDENING, INCLUDING CURRENT BUILDING STANDARDS AND INFORMATION ON MINIMUM ANNUAL VEGETATION MANAGEMENT STANDARDS TO PROTECT HOMES FROM WILDFIRES, CAN BE OBTAINED ON THE INTERNET WEBSITE [HTTP://WWW.READYFORWILDFIRE.ORG](http://WWW.READYFORWILDFIRE.ORG)".
- B. FIRE HARDENING VULNERABILITIES:** Are you (Seller) aware of the following features that may make the home vulnerable to wildfire and flying embers (Seller is not obligated to explain or clarify their responses to questions **2B(1)-2B(6)**, whether they answer "yes" or "no." Voluntary explanation/clarification is permitted but not required).
- (1) Eave, soffit, and roof ventilation where the vents have openings in excess of one-eighth of an inch or are not flame and ember resistant. ☐ Yes ☐ No
 - (2) Roof coverings made of untreated wood shingles or shakes. ☐ Yes ☐ No
 - (3) Combustible landscaping or other materials within five feet of the home and under the footprint of any attached deck. ☐ Yes ☐ No
 - (4) Single pane or non-tempered glass windows. ☐ Yes ☐ No
 - (5) Loose or missing bird stopping or roof flashing. ☐ Yes ☐ No
 - (6) Rain gutters without metal or noncombustible gutter covers. ☐ Yes ☐ No

Explanation/Clarification: _____

- C. LIST OF LOW-COST RETROFITS:** The following is a list of low-cost retrofits developed and listed by the California Department of Forestry and Fire Protection (CAL FIRE) and the California Governor's Office of Emergency Services (OES). More information on home hardening is available at readyforwildfire.org. A list of low-cost retrofits with dynamic links can be found at <https://readyforwildfire.org/wp-content/uploads/2025/04/Low-Cost-Retrofit-Flyer-Handout.pdf>.

Have you (Seller) completed any of the following low-cost retrofits during the time you have owned the property? (If the retrofit was partially completed or only applied to a portion of the identified feature, or if similar work was performed, or if your response below needs clarification, provide the explanation/clarification below. If you are unsure if the retrofit item was completed or satisfied the conditions specified, check "No", and provide any explanation/clarification below.)

- (1) Roof replaced with Class A fire-rated roof. ☐ Yes ☐ No
- (2) Spaces between roof covering and sheathing blocked with non-combustible materials (bird stops). ☐ Yes ☐ No
- (3) Installation of noncombustible gutter cover on gutters to prevent the accumulation of leaves and debris in the gutter. ☐ Yes ☐ No
- (4) Covered chimney and stovepipe outlets with a noncombustible corrosion-resistant metal mesh screen (spark arrester) with 3/8 inch to 1/2 inch openings. ☐ Yes ☐ No
- (5) Install ember and flame-resistant vents. ☐ Yes ☐ No
- (6) Caulk and plug gaps greater than 1/8 inch around exposed rafters and blocking to prevent ember intrusion into the attic or other enclosed spaces. ☐ Yes ☐ No
- (7) Inspect exterior siding for dry rot, gaps, cracks, and warping. Caulk or plug gaps greater than 1/8 inch in siding and replace any damaged boards, including those with dry rot. ☐ Yes ☐ No
- (8) Install weather stripping to gaps greater than 1/8 inch between garage doors and door frames to prevent ember intrusion. The weather stripping must be compliant with UL Standard 10C. ☐ Yes ☐ No
- (9) Replace windows with multi-paned windows that have at least one pane of tempered glass. ☐ Yes ☐ No
- (10) Replace siding or deck using compliant noncombustible, ignition-resistant, or other OSFM Wildland Urban Interface (WUI) Products. ☐ Yes ☐ No



- (11) Cover openings to operable skylights with a noncombustible metal mesh screen with openings in the screen not to exceed 1/8 inch. ☐ Yes ☐ No
- (12) Install a minimum 6-inch metal flashing, applied vertically on the exterior of the wall at the deck-to-wall intersection to protect the combustible siding material. ☐ Yes ☐ No

Explanation/Clarification: _____

3- DEFENSIBLE SPACE DISCLOSURE AND ADDENDUM: (Paragraph 3 is only required to be completed if all three conditions in paragraph 1B are met; the Defensible Space Decision Tree (C.A.R. Form DSDT) may be consulted for additional information on how to complete this paragraph):

A- LOCAL COMPLIANCE REQUIREMENTS: The Property (☐ IS, ☐ IS NOT) subject to a local vegetation management ordinance requiring defensible space around an improvement on the Property. (Paragraphs 3B and 3C must be completed regardless of the answer to paragraph 3A if the conditions in paragraph 1B are met.)

B- SELLER REPRESENTATION OF PROPERTY COMPLIANCE with the applicable State defensible space requirement or local vegetation management ordinance (hereafter, State or local defensible space law) at the time of Seller signature:

(1) Seller is UNWARE of whether the Property is in compliance with the applicable State or local defensible space law. Seller does NOT have a report prepared by an Authorized Defensible Space Inspector.

OR (2) ☐ Property IS in compliance with State or local defensible space law, whichever is applicable. If ONLY State law applies, Seller must have obtained compliance within the last 6 months. Seller shall Deliver to Buyer documentation of compliance within 3 (or _____) Days after Seller's execution of this FHDS form or the time specified in paragraph 3N(1) of the Agreement, whichever occurs last. If this paragraph is checked, also check paragraph 3C(5) below.

OR (3) ☐ Property is NOT in compliance with State or local defensible space law, whichever is applicable. If Seller has, or agrees to obtain, a report prepared by an Authorized Defensible Space Inspector, Seller shall Deliver such report to Buyer within 3 (or _____) Days after Seller's execution of this FHDS form or the time specified in paragraph 3N(1) of the Agreement, whichever occurs last.

C- BUYER AND SELLER AGREEMENT REGARDING WHICH PARTY SHALL OBTAIN COMPLIANCE WITH APPLICABLE STATE OR LOCAL DEFENSIBLE SPACE REQUIREMENTS:

(1) **BUYER RESPONSIBILITY - NO LOCAL ORDINANCE.** Buyer shall obtain documentation of compliance with the State defensible space law within one year of Close Of Escrow.*

OR (2) ☐ **BUYER RESPONSIBILITY - LOCAL VEGETATION MANAGEMENT ORDINANCE IN EFFECT** which requires compliance as a result of a sale of the Property. The local ordinance allows either Seller or Buyer to obtain documentation of compliance. Buyer shall comply with the requirements of the ordinance after Close Of Escrow.

OR (3) ☐ **BUYER RESPONSIBILITY - LOCAL VEGETATION MANAGEMENT ORDINANCE IN EFFECT** which does NOT require compliance as a result of a sale of the Property. Buyer shall obtain documentation of compliance with the State defensible space law within one year of Close Of Escrow,* or if applicable comply with the local requirement after Close Of Escrow.

OR (4) ☐ **SELLER RESPONSIBILITY - LOCAL VEGETATION MANAGEMENT ORDINANCE IN EFFECT** which requires compliance as a result of a sale of the Property. The local ordinance requires Seller to obtain documentation of compliance prior to Close Of Escrow. Seller shall obtain documentation of compliance prior to the time for Buyer's final verification of condition.

OR (5) ☐ **SELLER RESPONSIBILITY - STATE OR LOCAL COMPLIANCE ALREADY COMPLETE.** If ONLY state law applies, Seller has obtained documentation of compliance with State defensible space requirement within the last 6 months. For either State or local law, Seller shall Deliver documentation of compliance to Buyer.

OR (6) ☐ **SELLER RESPONSIBILITY - AGREEMENT TO OBTAIN STATE COMPLIANCE.** Seller shall obtain documentation of compliance and Deliver to Buyer prior to the time for Buyer's final verification of condition.

D- The local agency from which a copy of the documentation in paragraph 3B(2), 3B(3), 3C(4), 3C(5), or 3C(6), as applicable, may be obtained is _____, which may be contacted at _____.

* The requirement to provide documentation of compliance with State defensible space requirements only applies if there is a state or local agency, or other governmental entity, or qualified non-profit entity in the jurisdiction where the Property is located that is authorized to inspect the Property and provide documentation of compliance ("Authorized Defensible Space Inspector").

4- ☐ FINAL INSPECTION REPORT DISCLOSURE: The Property was newly constructed, or was rebuilt following damage by a fire and the construction required a permit, on or after January 1, 2005, and Seller has obtained a final inspection report addressing compliance with home fire hardening recommended building standards as described in Government Code § 51182. Seller has a copy of the report, and it is attached, or ☐ Seller does not have a copy of the report and Buyer may obtain a copy at _____.

Seller represents that Seller has provided the answers on paragraphs 2B and 3B of this form based on Seller's awareness on the date of Seller's signature below, and the answers on paragraph 2C are accurate. Seller acknowledges receipt of this Fire Hardening and Defensible Space Disclosure and Addendum and agrees to the applicable terms in paragraph 3C.

Seller Matthew L. Taylor, Partition Referee Date 2-29-26

Seller _____ Date _____

By signing below, Buyer acknowledges that they have received a copy of this Fire Hardening and Defensible Space Disclosure and Addendum, and they have read and understand the form and agree to the terms in paragraph 3C.

Buyer _____ Date _____

Buyer _____ Date _____

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FHDS REVISED 6/25 (PAGE 2 OF 2)





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DEFENSIBLE SPACE DECISION TREE

(C.A.R. Form DSDT, 6/22)

The purpose of this form is to help a seller complete Paragraph 3 of the C.A.R. Form FHDS.

Paragraph 3 of the FHDS is only required if: (1) The Property contains one to four units; (2) The seller is required to complete a Real Estate Transfer Disclosure Statement (C.A.R. Form TDS); and (3) The Property is located in either a **high** or **very high** fire hazard severity zone. IF ANY OF THESE THREE CONDITIONS IS NOT MET, PARAGRAPH 3 of the FHDS DOES NOT HAVE TO BE COMPLETED.

If any step of the DSDT below instructs the Seller to "THEN SIGN FORM" no further questions should be answered.

	Question	Direction	Additional Information
Step 1	Is property located in an area where a local (city or county) vegetation management ordinance requiring defensible space around the property applies (hereafter, defensible space law)?	☐ If Yes, check the "IS" box in 3A and then go to step 2. ☐ If No, check the "is NOT" box in 3A and then go to step 4. - If seller does not know, see the next column and find out.	How do you find out if your property is subject to a local defensible space law? The following sources can be helpful but may not know for sure. - Contact your local fire marshal; - Contact CalFire @ https://www.fire.ca.gov/dspace/ - Contact your Natural Hazard Disclosure Company rep;
Step 2	(If Yes to step 1) Does seller have a report prepared by a Authorized Defensible Space Inspector?	☐ If Yes, and the report documents the property is in compliance, effective on the date of sale, check paragraphs 3B(2) and 3C(5) and, if applicable, complete 4, THEN SIGN FORM. ☐ If Yes, and the report documents the property is NOT in compliance or the compliance status will no longer be effective as of the date of sale, check paragraph 3B(3) and go to step 3. ☐ If No, paragraph 3B(1) applies and go to step 3.	
Step 3	(Skip if No to step 1) Does the local law require compliance with the law as a result of a sale of the property?	☐ If No, and seller does not know if the property is in compliance with the local law, and seller will not pay to bring the property into compliance with local law, 3B(1) applies and check 3C(3) and, if applicable, complete 4, THEN SIGN FORM. ☐ If No and seller knows the property is not in compliance with the local law and seller will not pay to bring the property into compliance with local law, check 3B(3) and 3C(3) and, if applicable, complete 4, THEN SIGN FORM. ☐ If No and seller does not know if the property is in compliance with the local law, and seller agrees to bring the property into compliance with local law, 3B(1) applies and check 3C(6) and, if applicable, complete 4, THEN SIGN FORM. ☐ If No and seller knows the property is not in compliance with the local law, and seller agrees to bring the property into compliance with local law, check 3B(3) and 3C(6) and, if applicable, complete 4, THEN SIGN FORM. - If Yes, go to step 3.1.	If 3C(3) is checked, before buyer agrees and signs the FHDS, buyer is advised to find out how much it will cost to bring the property into compliance with defensible space laws. [See notes below the chart to find out how.] If 3C(6) is checked, seller is advised to find out how much it will cost to bring the property into compliance with defensible space laws. [See notes below the chart to find out how.]

	Question	Direction	Additional Information
Step 3.1	(A local law applies and requires compliance as a result of the sale of the property) Does the law require seller to obtain documentation of compliance?	☐ If Yes, check 3B(3) and 3C(4), and complete 3D and 4, if applicable, THEN SIGN FORM. ☐ If No, and seller will not bring property into compliance before close of escrow, check 3B(3) and 3C(2), and, if applicable, complete 4, THEN SIGN FORM.	If 3C(4) is checked, seller is advised to find out how much it will cost to bring the property into compliance with defensible space laws. [See notes below the chart to find out how.] If 3C(2) is checked, before buyer agrees and signs the FHDS, buyer is advised to find out how much it will cost to bring the property into compliance with defensible space laws. [See notes below the chart to find out how.]
Step 4	(No local law applies) Does seller have a report prepared by an Authorized Defensible Space Inspector within 6 months prior to the contract for sale?	☐ If No, and seller will not pay to bring the property into compliance with the State law, 3B(1) and 3C(1) apply, and, if applicable, complete 4, THEN SIGN FORM. ☐ If No, and seller will agree to bring the property into compliance with the State law, 3B(1) applies and check 3C(6), and, if applicable, complete 4, THEN SIGN FORM. ☐ If Yes, and the report documents the property is in compliance with the State law, check paragraphs 3B(2) and 3C(5), complete 3D, and, if applicable, complete 4, THEN SIGN FORM. ☐ If Yes, and the report documents the property is NOT in compliance with the State law, check paragraph 3B(3) and go to step 4.1.	If 3C(6) is checked, seller is advised to find out how much it will cost to bring the property into compliance with defensible space laws. [See notes below the chart to find out how.] If 3C(1) applies, before buyer agrees and signs the FHDS, buyer is advised to find out how much it will cost to bring the property into compliance with defensible space laws. [See notes below the chart to find out how.]
Step 4.1	(No local law applies and property not in compliance with State defensible space requirements) Will seller pay to bring the property into compliance?	☐ If No, 3C(1) applies, and, if applicable, complete 4, THEN SIGN FORM. ☐ If Yes, check 3C(6), if applicable, complete 4, THEN SIGN FORM.	If 3C(1) applies, before buyer agrees and signs the FHDS, buyer is advised to find out how much it will cost to bring the property into compliance with defensible space laws. [See notes below the chart to find out how.] If 3C(6) is checked, seller is advised to find out how much it will cost to bring the property into compliance with defensible space laws. [See notes below the chart to find out how.]

How to find out if seller has obtained documentation of compliance?

- Buyer can ask seller for a copy of a report and certificate of compliance from an Authorized Defensible Space Inspector, such as CalFire.
- Seller who obtained a report but did not keep a copy can contact Authorized Inspector who prepared the report and certification of compliance, such as CalFire.

How to find out if property is in compliance with State or local law and how much it will cost to bring a property into compliance?

- Buyer or seller can review the report prepared for the seller;
- Buyer or seller can hire a non-governmental Authorized Defensible Space inspector to prepare a report;
- Buyer can, with seller's consent, hire a government Authorized Defensible Space Inspector (see <https://www.fire.ca.gov/dspace/>)
- Seller can hire a government Authorized Defensible Space Inspector (see <https://www.fire.ca.gov/dspace/>)

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DDST 6/22 (PAGE 2 OF 2)





AGENT VISUAL INSPECTION DISCLOSURE
(CALIFORNIA CIVIL CODE § 2079 ET SEQ.)
For use by an agent when a transfer disclosure statement is
required or when a seller is exempt from completing a TDS
(C.A.R. Form AVID, Revised 6/24)

This inspection disclosure concerns the residential property situated in the City of Lake Arrowhead,
 County of San Bernardino, State of California, described as 971 Nadelhorn Dr
 _____ (“Property”).

☐ This Property is a duplex, triplex, or fourplex. An AVID is required for all units. This AVID form is for ALL units (or ☐ only unit(s) _____).

Inspection Performed By (Real Estate Broker Firm Name) REAL Broker

California law requires, with limited exceptions, that a real estate broker or salesperson (collectively, “Agent”) conduct a reasonably competent and diligent **visual** inspection of reasonably and normally accessible areas of certain properties offered for sale and then disclose to the prospective purchaser material facts affecting the value or desirability of that property that the inspection reveals. The duty applies regardless of whom that Agent represents. The duty applies to residential real properties containing one-to-four dwelling units, and manufactured homes (mobilehomes). The duty applies to a stand-alone detached dwelling (whether or not located in a subdivision or a planned development) or to an attached dwelling such as a condominium. The duty also applies to a lease with an option to purchase, a ground lease or a real property sales contract of one of those properties.

California law does not require the Agent to inspect the following:

- Areas that are not reasonably and normally accessible
- Areas off site of the property
- Public records or permits
- Common areas of planned developments, condominiums, stock cooperatives and the like.

Agent Inspection Limitations: Because the Agent’s duty is limited to conducting a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of only the Property being offered for sale, there are several things that the Agent will not do. What follows is a non-exclusive list of examples of limitations on the scope of the Agent’s duty.

Roof and Attic: Agent will not climb onto a roof or into an attic.

Interior: Agent will not move or look under or behind furniture, pictures, wall hangings or floor coverings. Agent will not look up chimneys or into cabinets, or open locked doors.

Exterior: Agent will not inspect beneath a house or other structure on the Property, climb up or down a hillside, move or look behind plants, bushes, shrubbery and other vegetation or fences, walls or other barriers.

Appliances and Systems: Agent will not operate appliances or systems (such as, but not limited to, electrical, plumbing, pool or spa, heating, cooling, septic, sprinkler, communication, entertainment, well or water) to determine their functionality.

Size of Property or Improvements: Agent will not measure square footage of lot or improvements, or identify or locate boundary lines, easements or encroachments.

Environmental Hazards: Agent will not determine if the Property has mold, asbestos, lead or lead-based paint, radon, formaldehyde or any other hazardous substance or analyze soil or geologic condition.

Off-Property Conditions: By statute, Agent is not obligated to pull permits or inspect public records. Agent will not guarantee views or zoning, identify proposed construction or development or changes or proximity to transportation, schools, or law enforcement.

Analysis of Agent Disclosures: For any items disclosed as a result of Agent’s visual inspection, or by others, Agent will not provide an analysis of or determine the cause or source of the disclosed matter, nor determine the cost of any possible repair.

What this means to you: An Agent’s inspection is not intended to take the place of any other type of inspection, nor is it a substitute for a full and complete disclosure by a seller. Regardless of what the Agent’s inspection reveals, or what disclosures are made by sellers, California Law specifies that a buyer has a duty to exercise reasonable care to protect himself or herself. This duty encompasses facts which are known to or within the diligent attention and observation of the buyer. Therefore, in order to determine for themselves whether or not the Property meets their needs and intended uses, as well as the cost to remedy any disclosed or discovered defect, **BUYER SHOULD: (1) REVIEW ANY DISCLOSURES OBTAINED FROM SELLER; (2) OBTAIN ADVICE ABOUT, AND INSPECTIONS OF, THE PROPERTY FROM OTHER APPROPRIATE PROFESSIONALS; AND (3) REVIEW ANY FINDINGS OF THOSE PROFESSIONALS WITH THE PERSONS WHO PREPARED THEM. IF BUYER FAILS TO DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKER.**



If this Property is a duplex, triplex, or fourplex, this AVID is for unit # _____.

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

Entry (excluding common areas): into living room. nothing noted.

Living Room: small crack above sliding glass door. nothing else noted.

Dining Room: in living room.

Kitchen: nothing noted.

Other Room: Laundry room: off of kitchen. nothing noted.

Hall/Stairs (excluding common areas): stains on carpet.

Bedroom # 1 : on main level. Minor scratches on wall.

Bedroom # 2 : upstairs on left. small stress crack above window. burn mark on outlet. scuff marks on wall.

Bedroom # 3 : upstairs in middle. Stains on carpet. Door to back deck.

Bedroom # 4 : upstairs on right. Master bedroom. Stress crack over doorway. Stains on carpet. Scuffs on walls

Bath # 1 : downstairs. Scuff on bathtub.

Bath # 2 : in hallway upstairs. Window screen needs to be replaced.

Bath # 3 : in master upstairs - sinks only. connects to bathroom 2. door to back deck.

Bath # _____:



If this Property is a duplex, triplex, or fourplex, this AVID is for unit # _____.

Other:

Other:

Other:

☐ See Addendum for additional rooms/structures:

Garage/Parking (excluding common areas): parking for 3 to 4 cars on circular driveway

Exterior Building and Yard - Front/Sides/Back: needs paint. some stairs anewd repair. landscape retaining walls are leaning. deck is missing railings and deck boards need repair/replacement and paint.

Other Observed or Known Conditions Not Specified Above:

This disclosure is based on a reasonably competent and diligent visual inspection of reasonably and normally accessible areas of the Property on the date specified above.

Real Estate Broker (Name of Firm that performed the inspection): REAL Broker

Inspection Performed By (Name of individual agent or broker): Angelique Koster

Inspection Date/Time: 2026-02-26 01:34:31PM Weather conditions: Few clouds, Temp: 65.3 F

Other persons present: Noone

By Angelique Koster Angelique Koster Date 03/04/2026

(Signature of Associate Licensee or Broker who performed the inspection)

Reminder: Not all defects are observable by a real estate licensee conducting an inspection. The inspection does not include testing of any system or component. Real Estate Licensees are not home inspectors or contractors. BUYER SHOULD OBTAIN ADVICE ABOUT AND INSPECTIONS OF THE PROPERTY FROM OTHER APPROPRIATE PROFESSIONALS. IF BUYER FAILS TO DO SO, BUYER IS ACTING AGAINST THE ADVICE OF BROKER.

I/we acknowledge that I/we have read, understand and received a copy of this disclosure.

Buyer _____ Date _____

Buyer _____ Date _____

I/we acknowledge that I/we have received a copy of this disclosure.

(The initials below and Broker signature are not required but can be used as evidence that the initialing or signing party has received the completed form.)

Seller _____/_____

Real Estate Broker (that did NOT fill out this AVID) _____

By _____ Date _____

(Associate Licensee or Broker Signature)

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AVID REVISED 6/24 (PAGE 3 OF 3)

Angelique Koster | REAL Broker | Generated by Glide

AGENT VISUAL INSPECTION DISCLOSURE (AVID PAGE 3 OF 3)

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**Exhibit A to the
Residential Listing Agreement
Date February 26, 2026**

**Interlocutory Judgment For Partition And
Appointment Of Referee**

Case No. CIVSB2423688

ELECTRONICALLY RECEIVED - 5/5/2025 4:02 PM - By: Stephanie Garcia, DEPUTY

SCOTT TALKOV, STATE BAR NO. 264676
ADEEB DJAWAD, STATE BAR NO. 347984
TALKOV LAW CORP.
4000 MacArthur Blvd Ste 655
Newport Beach, CA 92660
Telephone: (949) 888-8800
Email: adeeb@talkovlaw.com

FILED
SUPERIOR COURT
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT

JUL 07 2025


BY: Kristen Collier Kosmatka, Deputy

Attorneys for Plaintiff Steven Alfaro

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

STEVEN ALFARO, an individual,

Plaintiff,

v.

TERESA ALFARO, an individual; and DOES
1 through 10, inclusive,

Defendants.

Case No. CIVSB2423688

**~~[PROPOSED]~~ INTERLOCUTORY
JUDGMENT OF PARTITION AND
APPOINTMENT OF REFEREE**

[Code Civ. Proc. §§ 872.720, 873.010(a), 873.060,
873.070]

(Filed concurrently with Notice of Motion and
Motion for 1) Interlocutory Judgment of Partition
and 2) Appointment of Referee; Memorandum of
Points and Authorities in Support Thereof;
Request for Judicial Notice; Declarations of Adeeb
Djawad Re: Meet and Confer and Matthew L.
Taylor Re: Referee Appointment)

Hearing on Motion:

Date: 7/7/25

Time: 8:30 AM

Dept.: S36

Plaintiff's motion for an interlocutory judgment for partition of the subject real property in the
above-entitled action came on regularly for hearing on July 7, 2025, at 8:30 AM. Scott Talkov of
Talkov Law Corp. appeared for Plaintiff. Other appearances, if any, are noted in the record.

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1 The subject real property is the property commonly known as 971 Nadelhorn Dr, Lake
2 Arrowhead, CA 92352, Assessor's Parcel Number 0333-783-04-0000 (the "Property"), and legally
3 described as follows:

4 LOT 4 OF TRACT NO. 7513, ARROWHEAD WOOD TRACT 108, IN THE COUNTY OF
5 SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK
6 96, PAGE(S) 89 TO 96 INCLUSIVE OF MAPS, IN THE OFFICE OF ECOUNTY
7 RECORDER OF SAID COUNTY.

8 The Court, having considered Plaintiff's motion for interlocutory judgment of partition,
9 Defendant's opposition thereto, the pleadings on file with this Court, and the arguments of counsel at
10 the hearing on said motion, HEREBY ORDERS, ADJUDGES, AND DECREES THAT:

11 **(A) Owners.** Ownership of the subject real property described above is owned in undivided
12 interests as follows:

13 Steven Alfaro: 50%

14 Teresa Alfaro: 50%

15 **(B) Appointment of Referee.** Matthew L. Taylor, Esq. (the "Referee") is appointed Referee
16 with full authority to partition the Property, subject to confirmation of the Court, which manner of
17 partition is hereby determined to be most beneficial to the parties.

18 **(C) Injunction.** The owners of the Property set forth above are hereby enjoined and
19 prohibited from transferring, selling, leasing, encumbering, or damaging the Property.

20 **(D) Notice.** Notice of sale shall be given in the manner required for notice of sale as specified
21 in Code of Civil Procedure § 873.640 and shall be given to the persons specified in Code of Civil
22 Procedure § 873.640. In all other respects, the sale shall be conducted as provided in Code of Civil
23 Procedure §§ 873.600-873.690. All pleadings shall be served upon all parties as required by this
24 Court.

25 **IT IS FURTHER ORDERED** that the Referee shall have the following powers and
26 responsibilities:

27 1. **Determination of Manner of Partition.** The Referee is authorized to determine the
manner of partition. If the Referee determines that partition in-kind is most appropriate, the Referee

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1 shall prepare a report to this Court for approval. Code Civ. Proc. §§ 873.210 & 873.280. If upon the
2 Referee's determination the Property should be sold, the Referee shall be authorized to so proceed.

3 2. Provisions Applicable to Partition by Sale. In the event that the Referee determines
4 that a sale is most appropriate, the following provisions shall apply:

5 3. Listing Agreement. The Referee may hire one or more licensed real estate
6 brokers/agents of his choosing to list and sell the Property. The Property shall be listed for sale
7 pursuant to the terms of a written listing agreement ("Listing Agreement") as follows:

- 8 a. The Listing Agreement shall contain a provision that the broker's commission
9 shall not exceed 3.5% to be paid to the listing agent and/or listing brokerage.
10 b. The Listing Agreement shall not provide for any blanket offer of compensation to
11 any buyer's agent on any Multiple Listing Service (MLS). The Referee is
12 authorized to accept an offer that makes a usual and ordinary offer of
13 compensation to the buyer's agent to be paid from the proceeds of sale.
14 c. The Listing Agreement shall be for a period of no longer than one hundred and
15 twenty (120) days. If the Property is not under contract for partition within the
16 initial listing period set forth above, upon the expiration of the Listing Agreement,
17 the Referee shall have the authority to either renew the listing agreement with the
18 same real estate brokers/agents or select another real estate broker/agent to handle
19 the partition by entering into a new listing agreement and continue to do so until
20 the Property is partitioned.

21 4. Referee's Authority. The Referee shall have full authority to partition the Property.
22 The Referee is authorized to undertake any and all duties associated with placing the Property on the
23 market. The Referee may execute all documents necessary for consummation of a partition, including
24 but not be limited to execution of all documents required by an escrow officer and/or title insurance
25 company, such as a Statement of Information (or such similar document providing biographical
26 information about the owners of the Property) and tax reporting documents for any party hereto who
27 does not provide said information within ten (10) days of being provided said document.

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Furthermore, the Referee shall be authorized to sign any affidavits, on behalf of any of the parties hereto, for the benefit of a title insurance company in order to provide title insurance to establish that the Property is able to be transferred to a buyer. Based on the Referee's evaluation of the market data, the Referee shall set an initial listing price. The Referee shall be authorized to reduce the asking price for the Property as the Referee determines if it is advisable in order to generate interest in the Property. The Property shall be partitioned on the best terms and price with no carry-back financing. Any partition entered into by the Referee shall be subject to Court confirmation before it is finalized.

5. Notice of Sale. The Referee shall provide notice of the sale of the Property in the manner provided by Code of Civil Procedure section 873.640. Notice in that manner may be waived by agreement of all parties in writing without further order of this Court.

6. Procedure for Sale Confirmation. The Referee shall sell the Property in the form and manner approved by the Court in this Order, in accordance with Code of Civil Procedure section 873.510 *et seq.* and shall seek Court confirmation of the sale following the procedures set forth in Code of Civil Procedure section 873.710 through 873.790. The parties may make written motion to object to the sale. The Referee may seek court confirmation by (1) stipulation of the parties or (2) motion. If the time demands of the sale escrow so require, the Referee may seek approval by *ex parte* motion to this Court.

7. Parties as Purchasers of the Property. The parties, as existing partial owners of the Property, may seek to purchase the Property from the Referee as allowed by Code of Civil Procedure 873.69 by either (1) submitting a written purchase offer during the time period that the Referee is accepting purchase offers for the Property, or (2) by submitting an over bid at the time of court confirmation following the procedures and rules set forth in Code of Civil Procedure section 873.740. The Referee shall evaluate the offers from the parties and from any non-parties to determine which offer is the highest and best considering all terms.

8. Procedure for Consummation of Partition Following Court Approval. Upon approval and confirmation of the partition of the Property by the Court and the payment of the purchase price, the Referee is authorized and directed to execute and deliver a deed of the Property transferring title

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1 to the buyers either in the name of the Referee or the name of the owners of the Property. The parties
2 shall fully cooperate with the Referee and any escrow in all aspects in order to timely consummate
3 the partition by completing any requested tax documents within 10 days of request by the Referee.
4 Failure to timely do so shall authorize the Referee to execute said documents on behalf of any party
5 refusing to timely provide the required tax forms.

6 9. Contracts of the Referee with Professionals. The Referee is authorized to hire, employ,
7 retain, and enter into and execute any contracts with any professionals or employees which the
8 Referee deems necessary to assist them in the discharge of their duties. All reasonable expenses
9 incurred in connection with the hiring and retention of authorized personnel shall be expenses of the
10 Property and shall be paid from the proceeds of the partition of the Property. Reasonable expenses
11 shall be paid or reimbursed by the Referee from the proceeds of the partition of the Property prior to
12 any other distributions to the owners of the Property. The Referee shall have no obligation to expend
13 funds to bring the Property into good and marketable condition, unless the owners provide sufficient
14 funds for this purpose. In the event any funds are expended by the Referee toward the repairs,
15 cleaning or maintenance of the Property, the Referee shall be reimbursed from the proceeds of the
16 sale.

17 10. Application of Proceeds to Pay for Expenses. From the proceeds that shall come into
18 the Referee's possession, whatever the source, the Referee shall apply and disburse said fund, from
19 time to time, in the following general order of priority, subject to change in the Referee's discretion:

- 20 a. To pay the expenses and charges of the Referee in the conduct of their office.
21 b. To pay all expenses reasonably necessary or incidental to the care, preservation
22 and maintenance of the Property.

23 11. Claims Period and Investigation by Referee. In connection with the Referee's request
24 for final distribution order, the Court authorizes and directs the Referee following the close of sale of
25 the Property, or earlier if requested by the parties, to investigate and report to the Court regarding any
26 claims for compensatory adjustment between the parties, including those allowed by Code of Civil
27 Procedure section 872.140, and including those claims relating to reimbursement, credit, or offsets

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1 arising from the prior period of joint ownership of the Property. Referee's report shall include claims
2 for attorney's fees whether or not previously submitted to the Court. The Referee is granted authority
3 under Code of Civil Procedure sections 872.630(b) and 873.850 in relation to the report and shall be
4 authorized to request from the parties their verified claims, interview witnesses, inspect the Property
5 and otherwise take such other actions as may reasonably assist the Referee in discharging these
6 duties. The Referee may establish a claims procedure and may establish a claims submission deadline
7 for the submission of any claims relating to accounting and compensatory adjustments between the
8 parties. The Referee shall create a report of their findings and recommendations to be submitted to the
9 Court for review ("Referee's Report").

10 12. Instructions Relating to Partition Proceeds. After the Court has approved the partition
11 of the Property and the Referee has completed the partition of the Property, the Referee shall submit a
12 written request to the Court with proposed instructions regarding how to disburse the proceeds of the
13 Property. Any party to this action may file a motion to accept, with or without modifications, the
14 Referee's Report ("Motion to Accept the Referee's Report") as the judgment of this Court. At the
15 hearing on the Motion to Accept the Referee's Report, the Referee's Report shall constitute the
16 presentation of the facts and/or law in controversy pursuant to Code of Civil Procedure section
17 873.850 sufficient for the Court to enter a judgment in conformity therewith.

18 13. Retention of Proceeds Until Court Order. Until the Court issues the final distribution
19 order, the Referee shall hold all net proceeds in a segregated account. The net proceeds of the
20 Property shall be distributed by the Referee in accordance with the terms of the final disbursement
21 order to be entered by this Court.

22 14. Referee to Manage the Property. The Referee is empowered to manage the Property.
23 To this end, the Referee is authorized to repair and maintain the Property and any of its buildings if
24 such repair and maintenance is necessary to preserve the regular upkeep of the Property.

25 15. Termination of Tenancies. The Referee is authorized to issue notices to any tenants to
26 terminate their tenancy following legally required notice periods and following the end of the existing
27 lease term. The Referee is also authorized to institute one or more actions in unlawful detainer either

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1 in the name of the Referee or in the name of the owners of the Property. To this end, the Referee is
 2 authorized to hire private counsel with a specialty in unlawful detainer actions without further order
 3 of this Court and to pay reasonable market rates for that attorney. Nothing in this order shall be
 4 deemed to authorize termination of an otherwise-valid lease with a tenant in the Property prior to the
 5 end of the lease term.

6 16. Possession of the Property by Referee. The Referee shall have access to the Property,
 7 including all keys and access codes. The Parties are ordered to remove all animals from the Property
 8 that would interfere with the Referee's possessory rights. The Referee is authorized to engage the
 9 services of the local animal control department to remove from the Property any and all animals that
 10 interfere with the Referee's right to access and possess the Property.

11 17. Enforcement of Possession by Referee as to Parties. The Referee may, at their
 12 discretion, require that parties to this action vacate the Property along with their personal property. If
 13 any said party does not vacate the Property upon request by the Referee, the Clerk of this Court is
 14 authorized and directed upon request by the Referee to issue a Writ of Possession authorizing the
 15 Sheriff to deliver possession of the Property to the Referee and to remove said party or anyone
 16 claiming possession through said party. For the purposes of Judicial Council form EJ-130, the
 17 Referee shall be shown as "assignee of record" in paragraph 3. The Writ of Possession shall be issued
 18 against all parties to this action and all other occupants of the Property, known or unknown. The real
 19 property described in the Writ of Possession shall be the Property. The date of judgment on the Writ
 20 of Possession shall be the date this order is filed.

21 18. Professional Fees of the Referee. Pursuant to Code of Civil Procedure section 873.010,
 22 the Court has authority to fix the reasonable compensation for services of the Referee. The Court
 23 acknowledges and approves of the Referee's fee schedule. In addition, the Referee shall be
 24 reimbursed for all expenses incurred by the Referee on behalf of the Property upon the completion of
 25 the partition of the Property. The Referee must file a final statement of account and report with the
 26 Court for the time and expense incurred in connection with the discharge of their services and provide
 27 notice to the parties for any hearing set for the approval of the report. The parties, as may be

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1 permitted by law, will have an opportunity to object to the report and any billing of the Referee and
2 their staff members and agents. Pursuant to Code of Civil Procedure section 873.010(4), the
3 professional fees and costs of the Referee shall be a lien upon the Property commencing on the date
4 of entry of this judgment.

5 19. Financial Accounts. The Referee is authorized to open one or more accounts at any
6 federally insured bank, savings and loan, credit union, or similar financial institution for the purpose
7 of holding funds associated with this case.

8 20. Further Instructions. As allowed by Code of Civil Procedure section 873.070, the
9 Referee or any party may seek further instructions from this Court concerning the duties of the
10 Referee.

11 21. Liability of the Referee. Pursuant to Code of Civil Procedure section 873.160, the
12 Referee is not personally liable on contracts made or for expenses incurred, except as such liability is
13 expressly assumed by the Referee in writing.

14 22. Insurance. The Referee shall determine whether a current policy of insurance covers
15 the Property. The parties are hereby ordered to provide that information to the Referee upon request.
16 The Referee has no duty to procure insurance on the Property if there is insufficient insurance
17 coverage thereon.

18 23. Participation by Referee. The Referee shall be authorized to participate in all court
19 proceedings relating to the Property. The Referee may report to the court from time-to-time relating
20 to issues with the Property and the status of partition efforts relating to the Property.

21 24. General Powers. The Referee is authorized to execute and prepare all documents and
22 to perform all acts, in the Referee's own name or the names of the owners of the Property, which are-
23 necessary or incidental to preserving, protecting, managing, and/or controlling the Property. The
24 Referee may contact any utility provider to the Property for the purpose of transferring, starting, or
25 stopping utility service. In addition to the specific powers set forth herein, the Referee is hereby
26 vested with general powers of referees in cases of this type.

27

TALKOV LAW CORP.
4000 MACARTHUR BLVD STE 655
NEWPORT BEACH, CA 92660
TELEPHONE (949) 888-8800

25. Orders in Aid of the Referee. Plaintiff and Defendant, and their respective agents, employees, servants, representatives, and persons acting in concert with them or under their direction or control are hereby enjoined and restrained from:

- a. Interfering with or impeding the Referee in carrying out their duties;
- b. Withholding from the Referee any documents or records to be delivered from them pursuant to this order;
- c. Selling, leasing, transferring, mortgaging, or otherwise encumbering the Property or any part thereof;
- d. Doing any act that impairs or damages the Property or that reduces the value of the Property;
- e. Taking any actions that interfere with the ability of the Referee to have free and unfettered access to the Property, including but not limited to installing locks, chains, or other barriers to entry to the Property for the purpose of impeding the Referee's access to the Property.

26. Retention of Jurisdiction. The Court shall retain jurisdiction pursuant to California Code of Civil Procedure §873.850 following confirmation of the sale of the Property to review the reports of the Referee, if any, to order the manner in which the sale proceeds are to be disbursed, and to order equitable adjustments that the Court considers just and appropriate.

IT IS SO ORDERED,

DATED: 7/7/25


JUDGE OF THE SUPERIOR COURT
JOSEPH WIDMAN

TALKOV LAW CORP.
4000 MACARTHUR BLVD STE 655
NEWPORT BEACH, CA 92660
TELEPHONE (949) 888-8800

PROOF OF SERVICE

I am employed in the County of Orange, State of California. I am over the age of 18 and not a party to the within action. My business address is 4000 MacArthur Blvd Ste 655, Newport Beach, CA 92660.

On May 5, 2025, I served the within document(s) described as **[PROPOSED] INTERLOCUTORY JUDGMENT OF PARTITION AND APPOINTMENT OF REFEREE** on the interested parties in this action as stated below:

Teresa Alfaro
Home Address: 971 Nadelhorn Drive
Lake Arrowhead, CA 92352
Mailing Address: P.O. Box 1453
Blue Jay, CA 92314
Phone: (909) 744-0953
(Defendant)

Matthew L. Taylor, Esq.
Law Offices of Matthew L. Taylor
8301 Utica Ave, Suite 201
Rancho Cucamonga, CA 91730
Phone: (909) 989-7774
Email: matthew.taylor34@verizon.net
(Proposed Partition Referee)

- ☒ (BY E-MAIL) I sent the foregoing document by email to the electronic addresses on the attached service list on the date indicated below. I did not immediately receive notification of an error in transmission. *(as to the Proposed Partition Referee only)*
- ☒ (BY MAIL) I used CaseMail to serve such envelope or package to be delivered and prepaid, addressed as stated above, with the United States Postal Service. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit. *(as to Defendant only)*

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on May 5, 2025, at Newport Beach, California.

Lauren Silva
(Name)

Lauren Silva
(Signature)