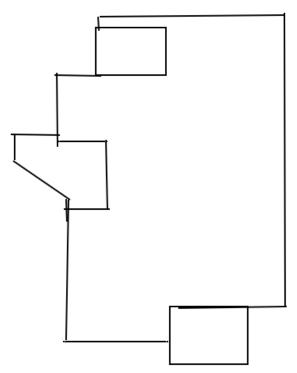
## **WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT**

| Building No. Street, City, Zip<br>34134 Selva Rd., #247, Dana Point, CA 92629   |   | Date of Inspection<br>10/07/2022  | No. of Pages<br>4                           |  |
|---|---|---|---|--|
| Payne Pest Management Inc 43460 Ridge Park Drive., Ste. 250 Temecula, CA 92590 (949) 450-9955  Termite & Pest Control Professionals   |   | Ordered By: Caldwell Banker c/o Candice Blair 28051 Greenfield Dr Suite A Laguna Beach, CA 92677      |   |  |
| Firm Registration No. BR5136  | Report No. 544505   | Escrow No.  |   |  |
| Property Owner:<br>Lino & Janet Valdivia<br>34134 Selva Rd., #247<br>Dana Point, CA 92629<br>(714) 397-8300   | Party of Interest:<br>Caldwell Banker c/o Candice Blair<br>28051 Greenfield Dr<br>Suite A<br>Laguna Beach, CA 92677 | Report Sent To:<br>Caldwell Banker c/o Can<br>28051 Greenfield Dr<br>Suite A<br>Laguna Beach, CA 9267 |   |  |
| COMPLETE REPORT  LIMITED I  | REPORT SUPPLEMENTAL REPORT  | REINSPECTION  | REPORT                                      |  |
| General Description:  | Inspection Tag Posted:<br>Laundry closet  |   |   |  |
| Single level, attached condominium/townhouse  | Other Tags Posted:<br>None  |   |   |  |
| An inspection has been made of the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected. |   |   |   |  |
| Subterranean Termites Drywood Termite  If any of the above boxes are checked, it ind  | es  |   | rther Inspection  details on checked items. |  |



Inspected By Duffy, Robert State License No FR 57822 Signature

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

NOTE: Questions or problems concerning the above report should be directed to the manager of this company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control Board at (916) 561-8708, (800) 737-8188 or www.pestboard.ca.gov. 43M-41 (REV. 04/2015)

## PAGE 2 OF 4 STANDARD INSPECTION REPORT ON PROPERTY AT:

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|--------------|---------------------------------------|-------------------------------|------------|
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|              |                                       |                               |            |

A. Certain areas are recognized by the industry Certain areas are recognized by the industry as inaccessible and/or for other reasons not inspected. These include but are not limited to: inaccessible and/or insulated attics or portions thereof, attics with less than 18" clear crawl space, the interior of hollow walls; spaces between a floor or porch deck and the ceiling below; area where there is no access without defacing or tearing out lumber masonry or finished work; areas behind stoves, refrigerators or beneath floor coverings furnishings; areas where encumbrances and storage, conditions or locks make inspection impractical, portions of the subarea concealed or made inaccessible by ducting or insulation area beneath wood floors over concrete, and areas concealed by heavy vegetation, Areas or timbers around eaves were visually inspected from ground level only, Although we make visual examinations, we do not deface or probe window/door frames or decorative trims, Unless otherwise specified in this report we do not inspect fences, sheds, dog houses, detached patios, detached wood decks, wood retaining walls or wood walkways. We assume no responsibility for work done by anyone else for damage to structure or contents during our inspection, or for infestation, infection, adverse conditions or damage undetected due to inaccessibility or non-disclosure by owner/agent or tenant.

- B. Slab floor construction has become more prevalent in recent years. Floor covering may conceal cracks in the slab that will allow infestation to enter. Infestations in the walls may be concealed by plaster so that a diligent inspection may not disclose the true condition. These areas are not practical to inspect because of health hazards, damage to the structure; or inconvenience, they were not inspected unless described in this report. We recommend further inspection if there is any question about the above noted areas. Ref: Structural Pest Control Act Article 6, Section 8516(b), paragraph 19900) Amended effective March 1, 1974, Inspection is limited to disclosure of wood destroying pests or organisms as set forth in the Structural Pest Control Act, Article 6, Section 8516(b), Paragraph 1990-1991
- C. A re-inspection will be performed, if requested within four (4) months from date of original inspection, on any corrective work that we are regularly in the business of performing. If CERTIFICATION is required, then any work performed by others must be CERTIFIED by them. There is a re-inspection fee D. This company is not responsible for work completed by others, recommended or not, including by Owner. Contractor bills should be submitted to Escrow as certification of work completed by others.
- E. This report includes findings related to the presence/non-presence of wood destroying organisms and/or visible signs of leaks in the accessible portions of the roof. The inspector did not go onto the roof surface due to possible physical damage to the roof, or personal injury. No opinion is rendered nor guarantee implied concerning the water-tight integrity of the roof or the condition of the roof and roofing materials. If interested parties desire further information on the condition of the roof, we recommend that they engage the services of a licensed roofing contractor.
- F. Second story stall showers are inspected but not water tested unless there is evidence of leaks in ceiling below. Ref: Structural Pest Control Rules and Regulations, Sec 8516G Sunken or below grade showers or tubs are not water tested due to their construction.
- G. During the course of/or after opening walls or any previously concealed areas should any further damage or infestation be found; a supplementary report will be issued. Any work completed in these areas would be at Owner's direction and additional expense.
- H. During the process of treatment or replacement it may be necessary to drill holes through ceramic tiles or other floor coverings; these holes will then be sealed with concrete. We will exercise due care but assume no responsibility for cracks, chipping or other damage to floor coverings. We do not re-lay carpeting.
- I. We assume no responsibility for damage to any Plumbing, Gas or Electrical lines, etc in the process of pressure treatment of concrete slabs or replacement of concrete or structural timbers.
- J. When a fumigation is recommended, we will exercise all due care but assume no responsibility for damage to Shrubbery, Trees, Plants, TV Antennas or Roofs. A FUMIGATION NOTICE will be left with, or mailed to the Owner of this property or his designated Agent. Occupant must comply with instructions contained in Fumigation Notice during fumigation and aeration. The possibility of burglary exists as it does any time you leave your home. Therefore, we recommend that you take any steps that you feel necessary to prevent any damage to your property. We also recommend that you contact your insurance agent and verify that you have insurance coverage to protect against any loss, damage or vandalism to your property. The company does not provide any on site security except as required by state or local ordinance and does not assume any responsibility for care and custody of the property in case of vandalism, breaking or entering.
- K. Your termite report and clearance will cover EXISTING infestation or infection which is outlined in this report. If Owner of property desires coverage of any new infestation it would be advisable to obtain a Control Service Policy which would cover any new infestation for the coming year.
- L. If you should have any questions regarding this report, please call or come by our office any weekday between 8:00 a m and 5:00 pm. We also provide information about additional services for the control of Household Pests such as Ants and Fleas, etc.
- M. I agree to pay reasonable attorney's fees if suit is required by this COMPANY to enforce any terms of this contract, together with the costs of such action, whether or not suit proceeds to judgment.
- N. The total amount of this contract is due and payable upon completion of work unless otherwise specified. A finance charge computed at a Monthly rate of 1.5% of the unpaid balance (annual percentage rate of 18%) will be added to all accounts past due.
- O. If this report is used for escrow purposes then it is agreed that this inspection report and Completion, if any, is part of the ESCROW TRANSACTION. However, if you received written or verbal instructions from any interested parties involved in this escrow (agents, principals, etc.) to not pay our invoice at close of escrow, you are instructed by us not to use these documents to satisfy any conditions or terms of your escrow for purposes of closing the escrow. Further, you are instructed to return all of our documents and the most current mailing address you have on file for the property owner.
- P. Owner/agent/tenant acknowledges and agrees that inspection of the premises will not include any type of inspection for the presence or non-presence of asbestos and that this report will not include any findings or opinions regarding the presence or non-presence of asbestos in, upon or about the premises, we recommend that you contact a contractor specifically licensed to engage in asbestos related work. Further, should we discover the presence of asbestos during our inspection of the premises or should our inspection of the premises cause a release of asbestos dust or particles, owner/agent/tenant shall be solely responsible for the cleanup, removal and disposal of the asbestos and the cost thereof. Owner/agent/tenant hereby agrees to waive any and all claims against this Company which are in any way related to the presence of asbestos on the premises and further agrees to indemnify and hold this company harmless from any and all claims of any nature asserted by any third party, including this Company's employees, which is in any way related to the presence of asbestos on the premises.

READ THIS DOCUMENT IT EXPLAINS THE SCOPE AND LIMITATIONS OF A STRUCTURAL PEST CONTROL INSPECTION AND WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT. A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT CONTAINS FINDINGS AS TO THE PRESENCE OR ABSENCE OF EVIDENCE OF WOOD DESTROYING INSECTS OR ORGANISMS (FUNGI/ROT) IN VISIBLE AND ACCESSIBLE AREAS ON THE DATE OF INSPECTION, IT CONTAINS RECOMMENDATIONS FOR CORRECTING ANY INFESTATIONS, INFECTIONS OR CONDITIONS FOUND. THE CONTENTS OF THE WOOD DESTROYING PEST & ORGANISM REPORT ARE GOVERNED BY THE

## PAGE 3 OF 4 STANDARD INSPECTION REPORT ON PROPERTY AT:

| Building No. | Street, City, Zip                     | Date of Inspection 10/07/2022 | Report No. |
|--------------|---------------------------------------|-------------------------------|------------|
| 34134        | Selva Rd., #247, Dana Point, CA 92629 |                               | 544505     |
|              |                                       |                               |            |

STRUCTURAL PEST CONTROL ACT AND THE RULES AND REGULATIONS OF THE STRUCTURAL PEST CONTROL BOARD. SOME STRUCTURES MAY NOT COMPLY WITH BUILDING CODE REQUIREMENTS OR MAY HAVE STRUCTURAL, PLUMBING, ELECTRICAL, HEATING AND AIR CONDITIONING, OR OTHER DEFECTS THAT DO NOT PERTAIN TO WOOD DESTROYING ORGANISMS. A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT DOES NOT CONTAIN INFORMATION ABOUT SUCH DEFECTS AS THEY ARE NOT WITHIN THE SCOPE.OF THE LICENSE OF THE INSPECTOR OR THE COMPANY. ISSUING THIS REPORT, NOR DOES A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT CONTAIN INFORMATION ABOUT ASBESTOS OR ANY OTHER ENVIRONMENTAL OR SAFETY HAZARD. SHOULD INTERESTED PARTIES DESIRE OPINIONS REGARDING THESE ITEMS, IT IS RECOMMENDED THAT THE OWNER ENGAGE IN THE SERVICES OF A REPUTABLE WHOLE HOUSE INSPECTION COMPANY.

NOTE: THE FOLLOWING AREAS, WHEN THEY EXIST ARE CONSIDERED INACCESSIBLE FOR INSPECTION. THE INTERIORS OF HOLLOW WALLS AND ALL ENCLOSED SPACES BETWEEN A FLOOR OR PORCH DECK AND THE CEILING OR SOFFIT BELOW, AREAS BETWEEN ABUTTING/ATTACHED ROW HOUSES, TOWN HOUSES, CONDOMINIUMS AND SIMILAR STRUCTURES; PORTIONS OF THE ATTIC CONCEALED OR MADE INACCESSIBLE BY INSULATION; PORTIONS OF THE ATTIC CONCEALED OR MADE INACCESSIBLE BY DUCTING; PORTIONS OF THE ATTIC OR ROOF CAVITY CONCEALED DUE TO AN INADEQUATE CRAWL SPACE; THE INTERIORS OF BOXED EAVES; EAVES CONCEALED BY PATIO COVERS OR OTHER ABUTMENTS; PORTIONS OF THE SUBAREA CONCEALED OR MADE INACCESSIBLE BY INSULATION, PORCHES, ENCLOSED BAY WINDOWS; AREAS BENEATH WOOD FLOORS OVER CONCRETE; AREAS CONCEALED BY BUILT-IN CABINET WORK; AREAS CONCEALED BY FLOOR COVERING SUCH AS WALL-TO-WALL CARPETING, LINOLEUM, CERAMIC TILE, ETC; AND CONCEALED BY BUILT-IN APPLIANCES THERE IS NOT ECONOMICALLY PRACTICAL METHOD TO MAKE THESE AREAS ACCESSIBLE HOWEVER, THEY MAY BE SUBJECT TO ATTACK BY WOOD DESTROYING ORGANISMS. NO OPINION IS RENDERED CONCERNING CONDITIONS IN THESE AREAS.

NOTE: THE FOLLOWING AREAS, WHEN THEY EXIST, ARE CONSIDERED INACCESSIBLE FOR INSPECTION; AREA CONCEALED BY INTERIOR FURNISHINGS; AREAS CONCEALED BY FLOOR COVERINGS, SUCH AS AREA RUGS, THROW RUGS, BATH AND KITCHEN MATS, ETC; AREAS CONCEALED BY STORAGE; AREA CONCEALED BY HEAVY VEGETATION; AND AREAS WHERE LOCKS PREVENTED ACCESS. THESE AREAS WILL BE INSPECTED FOR A FEE, IF THEY ARE MADE ACCESSIBLE AT THE OWNERS EXPENSE. A SUPPLEMENTAL REPORT WILL BE ISSUED AND ANY FINDINGS AND RECOMMENDATIONS WILL BE LISTED ALONG WITH ESTIMATES FOR REPAIR AND/OR TREATMENT, IF WITHIN THE SCOPE OF THIS COMPANY'S OPERATIONS. NO OPINION IS RENDERED CONCERNING CONDITIONS IN THESE AREAS AT THIS TIME. NOTE: INSPECTIONS ARE MADE AND REPORTS ARE ISSUED ON THE BASIS OF WHAT IS VISIBLE AND ACCESSIBLE AT THE TIME OF THE INSPECTION. THE ABSENCE OF VISIBLE EVIDENCE OF WOOD DESTROYING ORGANISMS IN THE VISIBLE AND ACCESSIBLE PORTIONS OF THE STRUCTURE IS NO ASSURANCE THAT WOOD DESTROYING ORGANISMS ARE NOT PRESENT IN INACCESSIBLE AREAS NOR THAT FUTURE INFESTATIONS WILL NOT OCCUR. THEREFORE, WE DO NOT ASSUME ANY RESPONSIBILITY FOR THE PRESENCE OF WOOD DESTROYING ORGANISMS, OR DAMAGE DUE TO SUCH ORGANISMS, IN AREAS THAT WERE NOT VISIBLE AND ACCESSIBLE AT THE TIME OF INSPECTION OR THAT MAY OCCUR IN THE FUTURE.

NOTE: A VISUAL INSPECTION WAS PERFORMED AND THE INSEPCTOR DID NOT DEFACE NOR PROBE INTO FINISHED WNDOW OR DOOR FRAMES, TRIM WORK, FLOOR COVERINGS, WALLS, CEILINGS OR OTHER FINISHED SURFACES

NOTE: THE OWNER OF THIS PROPERTY HAS CERTAIN RESPONSIBILITIES REGARDING THE NORMAL MAINTENANCE THAT PERTAINS TO THE DETERRANCE OF WOOD DESTROYING ORGANISMS. THESE NORMAL MAINTENANCE PROCEDURES INCLUDE, BUT ARE NOT LIMITED TO MAINTENANCE OF THE ROOF, GUTTERS AND DOWN SPOUTS, CAULKING AROUND DOORS, WINDOWS, VENTS, TUB AND SHOWER ENCLOSURES KEEPING SOIL LEVELS BELOW THE TOP OF THE FOUNDATIONS, KEEPING STORED ITEMS (INCLUDING FIREWOOD) AT LEAST TWELVE (12) INCHES AWAY FROM THE STRUCTURE, ADJUSTING SPRINKLERS SO THAT THEY DO NOT SPRAY ONTO THE STRUCTURE, PROHIBITING SOIL TO CONTACT THE WOOD COMPONENTS OF THE STRUCTURE AND PREVENTING VEGETATION OR OTHER ITEMS FROM BLOCKING VENTS. THE EXTERIOR SURFACE OF THE ROOF WAS NOT INSPECTED" IF YOU WANT THE WATER TIGHTNESS OF THE ROOF DETERMINED, YOU SHOULD CONTACT A ROOFING CONTRACTOR WHO IS LICENSED BY THE CONTRACTORS STATE LICENSE BOARD"

NOTICE: Reports on this structure prepared by various registered companies should list the same findings (Le" termite infestations, termite damage, fungus damage, etc."). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company.

NOTICE TO OWNER UNDER THE CALIFORNIA MECHANICS LIEN LAW, ANY STRUCTURAL PEST CONTROL COMPANY WHICH CONTRACTS TO DO WORK FOR YOU, ANY CONTRACTOR, SUBCONTRACTOR, LABORER, SUPPLIER OR OTHER PERSON WHO HELPS IMPROVE YOUR PROPERTY, BUT IS NOT PAID FOR HIS OR HER WORK OR SUPPLIES, HAS A RIGHT TO ENFORCE A CLAIM AGAINST YOUR PROPERTY. THIS MEANS THAT AFTER A COURT HEARING YOUR PROPERTY COULD BE SOLD BY A COURT OFFICER AND THE PROCEEDS OF THE SALE USED TO SATISFY THE INDEBTNESS. THIS CAN HAPPEN EVEN IF YOU HAVE PAID YOUR STRUCTURAL PEST CONTROL COMPANY IN FULL. IF THE SUBCONTRACTORS, LABORERS, OR SUPPLIERS REMAIN UNPAID TO PRESERVE THEIR RIGHT TO FILE A CLAIM OR LIEN AGAINST YOUR PROPERTY, CERTAIN CLAIMANTS SUCH AS SUBCONTRACTORS OR MATERIAL SUPPLIERS ARE REQUIRED TO PROVIDE YOU WITH A DOCUMENT ENTITLED PRELIMINARY NOTICE. PRIME CONTRACTORS AND LABORERS FOR WAGES DO NOT HAVE TO PROVIDE THIS NOTICE A PRELIMINARY NOTICE IS NOT A LIEN AGAINST YOUR PROPERTY ITS PURPOSE IS TO NOTIFY YOU OF PERSONS WHO MAY HAVE A RIGHT TO FILE A LIEN AGAINST YOUR PROPERTY. IF THEY ARE NOT PAID PLEASE SEE GENERAL NOTES FOLLOWING THE FINDINGS AND RECOMMENDATIONS FOR CONDITIONS GOVERING THIS REPORT.

NOTICE: The charge for service that this company subcontracts to another registered company may include the company's charges for arranging and administering such services that are in addition to the direct costs associated with paying the subcontractor. You may accept Payne Pest Management's bid or you may contract directly with another registered company licensed to perform the work. If you choose to contract directly with another registered company, Payne Pest Management will not in any way be responsible for any act or omission in the performance of work that you directly contract with another to perform.

NOTICE TO OWNER/TENANT: State law requires that you be given the following Information: CAUTION--PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board and apply pesticides which are registered and approved by the California Department of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the state finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed

## PAGE 4 OF 4 STANDARD INSPECTION REPORT ON PROPERTY AT:

| Building No. | Street, City, Zip                     | Date of Inspection | Report No. |
|--------------|---------------------------------------|--------------------|------------|
| 34134        | Selva Rd., #247, Dana Point, CA 92629 | 10/07/2022         | 544505     |
|              |                                       |                    |            |

by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized. IF WITHIN 24 HOURS FOLLOWING APPLICATION YOU EXPERIENCE SYMPTOMS SIMILAR TO COMMON SEASONAL ILLNESS COMPARABLE TO THE FLU, CONTACT YOUR PHYSICIAN OR POISON CONTROL CENTER AND YOUR PEST CONTROL OPERATOR IMMEDIATELY FOR FURTHER INFORMATION CONTACT ANY OF THE FOLLOWING: PAYNE PEST MANAGEMENT- (858) 277-2228 POISON CONTROL CENTER - (800) 876-4766 Health Questions: COUNTY HEALTH DEPARTMENT - (619) 515-6555 Application Information: COUNTY AGRICULTURE COMMISSIONER - (619) 694-2749 Regulatory Information: STRUCTURAL PEST CONTROL BOARD- (916) 561-8700 2005 Evergreen St Ste 1500 Sacramento, CA 95815 ADVANCE TBS (dIFLUBENZURON), BORA-CARE (Disodium Octaborate Tetrahydrate), CY-KICK (Cyfluthrin), DRIONE INSECTICIDE DUST (Amor, silica Aerogel, Pyrethrins, Piiperonyi ButoxIde), PRELUDE (Permethrln), PREMISE 75 INSECTICIDE (Imidacloprid), TEMPO 20WP (Cyfiuthr'in), BIFEN IT PAYNE PEST MANAGEMENT INC. -- License No. BR 5162

THIS IS A LIMITED REPORT AT THE REQUEST OF Lino & Janet Valdivia. THE FOLLOWING AREAS HAVE BEEN INSPECTED: interior

Note: The structure inspected is a condominium/townhouse that may share common subareas, walls, foundations, attic or other common elements of construction with adjacent units. The adjacent condominium/townhouse was not inspected. No opinion is rendered, nor guarantee implied concerning the presence or absence of infestations or infections in these common areas, or spreading from these common areas into the inspected unit.

THIS IS TO CERTIFY THAT A LIMITED INSPECTION REPORT WAS CONDUCTED ON THE AREA OF THE PROPERTY DESCRIBED HEREIN ON 10/5/22 IN ACCORDANCE WITH THE STRUCTURAL PEST CONTROL ACT AND RULES AND REGULATIONS ADOPTED PURSUANT THERETO, AND HAS REVEALED NO EVIDENCE OF ACTIVE INFESTATION OR INFECTION IN THE VISIBLE AND ACCESSIBLE AREAS INSPECTED.