Opendoor Brokerage Inc.

California Offer Checklist

We appreciate your client's interest in an Opendoor home. We're committed to providing you with an exceptional, straightforward experience.

How to submit an offer:

▯ Submit your offer at opendoor.com/makeoffer

- Please use the most current Residential Purchase Agreement form.
- To ensure all interested buyers have a fair opportunity, the seller responds next-day to offers received before 8pm and day-after-next to offers received after 8pm.
- PDF is easiest to review and helps ensure an on-time response.
- Please note the seller's suggested title company, which can help ensure a smooth close.

▯ Include buyer-executed Opendoor addendum

- Among other things, this ensures that expirations occur on a weekday, and addresses Opendoor's security system.

▯ Include buyer-executed Affiliated Business Disclosure

- Opendoor provides a disclosure about its affiliated businesses. Your client is never required to use the services of these affiliates. We encourage them to shop around for services that best fit their needs.
- The seller is unable to accept offers without a buyer-executed Affiliated Business Arrangement Disclosure.

▯ Include buyer's pre-qualification letter

- Please ensure the letter reflects credit and income verification, and notes any conditions.
- Cash buyers should instead submit proof of funds; a bank account screenshot is fine.

▯ Other applicable addenda or documentation

- If the home was built before 1978, we will provide a Lead Based Paint Addendum – please include a fully executed copy in this case.
- If the offer is contingent upon the sale of a home that is in-contract, provide that contract and the status of the sale as well as the required Contingency For Sale of Buyer's Property form.
- The seller is unable to accept offers contingent upon the sale of a not-yet-in-contract home. However, Opendoor makes cash offers on eligible homes! Let us know if you and your buyer would like an Opendoor offer on their current home.

SELLER'S DISCLOSURE

Download the Seller's Disclosure directly from the MLS listing or request one from homes@opendoor.com and receive ASAP—usually within 24 hours.

REPAIRS

Like a traditional seller, Opendoor will consider repair requests during the due diligence period of a contract.

OFFER CONSIDERATION

Information included in offers that is of a personal nature will not be considered by Opendoor. For example, please do not include in an offer any cover letters, personal notes, informational narratives, documents, pictures, notes, videos or anything else intended to give Opendoor an idea of the buyer's personal background or their motivation for making an offer. This list is not exhaustive, but intended to give an example of the types of documents and media that will not be considered by Opendoor.

ABOUT OPENDOOR BROKERAGE Inc.

Opendoor Brokerage Inc. is the brokerage that represents the seller in this transaction, similar to a homebuilder with a brokerage that lists their homes. Opendoor Brokerage Inc. and Opendoor are separate but affiliated entities.

Opendoor Addendum

This **ADDENDUM** ("Addendum") modifies the **PURCHASE AND SALE CONTRACT** (the "Contract") dated _____ between Seller and Buyer (collectively, the "Parties") with respect to the real property commonly known as __1115 Calabria St, Santee, CA 92071_____ (hereinafter, "Property"). Capitalized terms used but not defined in this Addendum have the meaning given to them in the Contract. In the event of any conflict with the terms in the Contract, the terms of this Addendum shall control to the full extent permitted by law.

1. REPRESENTATION

Seller is represented by Opendoor Brokerage LLC ("Opendoor Brokerage"), a subsidiary of Opendoor Labs Inc. and an affiliate of Seller, in this transaction. Buyer understands and agrees that Opendoor Brokerage has NO BROKERAGE RELATIONSHIP with the Buyer.

Some of the employees of Seller or its affiliates, including Seller's authorized signer, may be licensed real estate agents, brokers, or salespeople in the State where the Property is located.

If Buyer changes representation after the execution of this Addendum, it may impact the promotions for which Buyer is eligible. Promotion terms and conditions are located at opendoor.com/terms.

2. SECURITY SYSTEM, LOCK, AND KEYS

The Parties agree that the security system and electronic door lock do not convey. The electronic lock will be replaced with a standard door lock before close. At closing, Seller will provide one working key for the front door and, if applicable, one for the rear door. Any other keys, fobs, remotes, cards, or codes in Seller's possession will be delivered as a courtesy only, with no representations or warranties as to their existence or functionality. Buyer is solely responsible, at its expense, for any rekeying, key replacement, or key activation after closing.

3. AFFILIATED BUSINESS DISCLOSURE

Buyer agrees to review and sign the Affiliated Business Arrangement Disclosure provided by Seller.

4. EXPIRATIONS

For any expiration date or deadline in the Contract that ends on a Saturday, Sunday, or state or national holiday, the date will be automatically extended to 5:00 p.m. the next business day.

5. EXTENSIONS

The Parties agree that time is of the essence and expressly waive any provisions in the Contract that grant either party the right to unilaterally change any previously agreed upon date. All extensions shall be by mutual written agreement between the Parties.

6. ASSIGNABILITY

The Contract may not be assigned by Buyer unless (a) the transfer of Buyer's interest in the Contract is to an entity in which Buyer holds a legal interest, such as a partnership, trust, limited liability company, or corporation or (b) Seller provides prior written consent. Any such assignment will not release Buyer of its obligations to Seller.

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7. BREACH AND REMEDY

If Buyer is in breach of the Contract, Seller's only remedy is to cancel the Contract and receive the earnest money, thereby releasing both Parties from the Contract.

If Seller is in breach of the Contract, Buyer's only remedy is to cancel the Contract and receive the earnest money, thereby releasing both Parties from the Contract.

8. SOLAR ENERGY SYSTEM (IF ANY)

If applicable, any solar energy system (including all related panels, accessories, and equipment) present on the Property is sold **AS-*IS***. The Seller makes no warranties or guarantees regarding the functionality, efficiency, or condition of any solar energy system.

9. DISBURSEMENTS

The Parties agree to release Escrow Agent from any and all claims related to disbursements authorized by the foregoing sections of this Addendum.

Brad Bonney 09/14/2026

Seller Signature Date

authorized signer on behalf of Opendoor Property Trust I

Buyer Signature Date

Buyer Signature Date

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Opendoor

We're excited you have chosen to work with Opendoor!

Please sign below to agree to Opendoor's Terms of Service and Privacy Policy. Full terms can be found here:

https://www.opendoor.com/terms

https://www.opendoor.com/privacy

SIGNATURE

FULL NAME DATE

SIGNATURE

FULL NAME DATE

EQUAL HOUSING OPPORTUNITY

Opendoor

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

To:
From: Opendoor Labs Inc. and its affiliates identified below
Property: 1115 Calabria St, Santee, CA 92071
Date:

This is to give you notice that Opendoor Labs Inc. ("Opendoor") has a business relationship with (i) Opendoor Brokerage LLC, Opendoor Brokerage Inc., OD Homes Brokerage Inc., and Tremont Realty LLC d/b/a Opendoor Connect (collectively, the "Opendoor Brokerages"); (ii) OS National LLC, OS National Alabama LLC, OSN Texas LLC, OSN Title Company, and OSN Escrow Inc. (collectively, the "OSN Entities"); (iii) Opendoor Home Loans LLC ("Opendoor Home Loans"); (iv) Title Resources Guaranty Company; (v) Mainstay Brokerage LLC and Mainstay Brokerage Inc. (collectively, the "Mainstay Brokerages"); and (vi) Mainstay National Title LLC and Mainstay National Title Alabama LLC (together, the "Mainstay National Entities" and collectively with the Opendoor Brokerages, OSN Entities, Opendoor Home Loans, Title Resources Guaranty Company, and Mainstay Brokerages, the "Affiliates"). Specifically, Opendoor is the ultimate owner of the Opendoor Brokerages, the OSN Entities, and Opendoor Home Loans, and is an indirect, partial owner of Title Resources Guaranty Company, the Mainstay Brokerages, and the Mainstay National Entities. Additionally, Lennar Corporation has an indirect ownership interest in Title Resources Guaranty Company. Because of these relationships, this referral may provide Opendoor and/or its Affiliates a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the Affiliates as a condition for the purchase, sale, or refinance of the subject property. The services of one or more of the Affiliates may not be available in the location of the subject property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Provider and Settlement Service	***Charge or Range of Charges***
Opendoor Brokerages and Mainstay Brokerages: Residential real estate brokerage services	***BROKERAGE FEES ARE NOT SET BY LAW AND ARE FULLY NEGOTIABLE***
Real Estate Fees	0 - 6% of purchase price
OSN Entities: Title insurance for owner's and/or lender's coverage; settlement and closing services	For a detailed quote for your home, please visit osnational.com/get-a-quote
Owner Title Policy Premium	$0 - $5,000
Lender Title Policy Premium	$0 - $5,000
Other Endorsements	$0 - $1,000 per endorsement
Escrow/Closing Services	$0 - $4,000
Loan Closing Services	$0 - $350

{continued on next page}

Opendoor

Provider and Settlement Service	*Charge or Range of Charges*
Opendoor Home Loans: Loan origination	0-2% of loan amount
Title Resources Guaranty Company: Title insurance for owner's and/or lender's coverage; settlement and closing services Owner Title Policy Premium Lender Title Policy Premium Other Endorsements Escrow/Closing Services	 $0 - $5,000 $0 - $5,000 $0 - $1,000 per endorsement $0 - $4,000
Mainstay National Entities: Title insurance for owner's and/or lender's coverage; settlement and closing services Owner Title Policy Premium Lender Title Policy Premium Other Endorsements Escrow/Closing Services Loan Closing Services	For a detailed quote for your home, please visit https://mainstaynationaltitlellc.com $0 - $5,000 $0 - $5,000 $0 - $1,000 per endorsement $0 - $4,000 $0 - $350
This is an affiliated business arrangement disclosure statement. Actual services and charges may vary according to the particular circumstances underlying the transaction, including the home value, coverage and limits chosen, whether you are the purchaser or seller, as well as other requested terms, unusual market conditions, government regulation, property location, and similar factors. This disclosure statement does not account for fees paid or payable to third party service providers.	

ACKNOWLEDGMENT

I/we have read this disclosure form and understand that Opendoor and/or its Affiliates are referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

Printed Name	Printed Name
Signature	Signature
Date	Date

BUYERS HOMEOWNERS' ASSOCIATION ADVISORY

(C.A.R. Form BHAA, 6/24)

California Civil Code section 4525 requires sellers of condominiums and other common interest or planned unit developments ("CID") to provide buyers with governing, financial, and other documents and information created and maintained by a Homeowners Association ("HOA"). These documents may be quite lengthy, causing buyers not to take the time to make a careful review of all HOA materials. Before deciding to proceed with the purchase transaction, it is critical that buyers carefully review all HOA documents to determine for themselves if the property they are acquiring meets their current and future needs for use and enjoyment of the property. As part of this review, Buyer should also consider if any of the documentation has not been provided, is incomplete, or missing.

BUYER:

YOU ARE STRONGLY ADVISED BY YOUR BROKER TO REVIEW ALL HOMEOWNER ASSOCIATION DOCUMENTS WITH APPROPRIATE PROFESSIONALS, IF NECESSARY, TO UNDERSTAND THEIR CONTENTS. YOU ARE FURTHER ADVISED TO CAREFULLY REVIEW THE PRELIMINARY TITLE REPORT TO DETERMINE ALL THE RECORDED DOCUMENTS RELATED TO HOMEOWNERS ASSOCIATIONS, WHICH COULD INCLUDE, BUT ARE NOT LIMITED TO, DEED RESTRICTIONS AND THE EXISTENCE OF MULTIPLE HOAs AFFECTING THE PROPERTY.

THESE DOCUMENTS WILL GOVERN, AFFECT AND, IN SOME CASES, LIMIT YOUR CURRENT AND FUTURE USE AND ENJOYMENT OF THE PROPERTY.

All HOA documents and disclosures are important, however, the following are often areas of concern for buyers of property located in a CID.

1. **Covenants, Conditions, and Restrictions ("CC&Rs"):** The CC&Rs are the main governing document of the HOA. Generally, the CC&Rs describe the property rights, duties, and obligations of the HOA and the individual members. CC&Rs are formal documents recorded with the County Recorder and are extremely difficult to amend or change.
2. **Bylaws, Rules and Regulations:** Bylaws address the governance and operation of the HOA, including voting and election requirements, the number of directors and their term length, how and when meetings are held, and the meeting procedures. If promulgated by the HOA, the Rules and Regulations usually detail how the HOA will handle routine, day-to-day matters often affecting common area usage, expenses, etc.
3. **Minutes:** HOAs are required to prepare Minutes of Board of Directors' Meetings detailing past, current, and future (proposed) events, issues, and expenses such as existing or planned litigation, repairs, improvements or needed change in the dues and/or additional assessments. They reflect the decisions and reasons for those decisions, but are not a transcript of the meetings. The Minutes are often the best source of information regarding issues related to the common areas, the individual units, special and increased assessments, and the ability to use and enjoy the property after escrow closes.
4. **Financial Information:** The financial information from the HOA may be contained in numerous documents, including but not limited to: Pro Forma Operating Budget, Assessment and Reserve Funding Disclosure Summary, Financial Statement Review, Assessment Enforcement Policy, Insurance Summary, Regular Assessment, Special Assessments, and Emergency Assessments. The financial status of HOA could impact the future costs of owning the property.

   Reserves: Buyers should determine if reserves are properly and adequately funded and if there are many homeowners who are delinquent on payments for dues and assessments. Generally, associations are required to prepare a reserve study, and, at least every three years, cause to be conducted a reasonably competent and diligent visual inspection.

   Wood Balconies, Stairs and Other Structures; Reserve Requirements: Prior to January 1, 2025, 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. 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.

   Pending and Future Assessments: The Minutes and the HOA disclosure form itself may contain critical information and comments regarding pending or future assessment.

   Special or Emergency Assessments: Buyers need to know if special or emergency assessments are currently due in full or whether they are due only in monthly installments. If it is not clear, buyer should request clarification from the HOA. The Purchase Agreement will determine whether the assessment payment will be paid by the seller at Close of Escrow, or whether the payments are prorated, and the buyer will be responsible for the monthly payments after Close of Escrow.

   There are independent services available which will review the HOA documentation and give an opinion of the financial status of a HOA for a fee which is typically $300.00 to $500.00 depending upon the services to be provided and the extent of the HOA documentation. Real estate licensees are not qualified to assess the financial viability of any HOA.

   <u>If you have any questions or concerns about the financial status, strength, or stability of the HOA, contact your accountant who may be able to provide a professional assessment of the HOA's finances.</u>

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Opendoor Brokerage LLC, 410 N Scottsdale Road #1600 Tempe AZ 85281 Phone: 4807790001 Fax: none
Lisa Soltesz
Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwolf.com

5. **Rental Restrictions:** The HOA may have restrictions and/or prohibitions on your ability to rent your unit. These restrictions may be based on the number/percentage of units that are allowed to be rented, and the approval process associated with rentals. The HOA may also put restrictions on the ability to enter into a short term rental. Some HOAs have even gone so far as to completely prohibit rentals for all new owners; however, a 2021 law requires HOAs to allow at least 25% of the units to be rented or leased regardless of what the HOA governing documents state. In addition to the HOA restrictions, the city may also impose rental control and eviction control ordinances that may impact your decisions to rent the unit. You should investigate these issues with the HOA and the appropriate government authority to determine whether this property meets your needs. These restrictions may affect your decision to purchase the Property.
6. **Lending Considerations:** Lenders may have certain qualifications that are required from the HOA before they provide financing on your purchase. Many lenders will require the HOA to provide a lender certification document, providing information regarding the HOA. Additionally, lenders will generally require the HOA to have a general insurance policy covering the HOA, which has become less available and more costly in California due to rising replacement costs and an increase in natural disasters. They may require a certain percentage of owner occupied units within the HOA. Further, if you are seeking a FHA or VA loan, the lender may require the HOA to FHA/VA approved prior to making a loan. You should inquire with your lender and the HOA to determine what will be required in order to obtain financing.
7. **Noise:** Due to noise and other factors, HOAs often restrict the type of floor and/or wall material that can be used in certain units and/or the number of pets. You should directly contact the HOA Board to determine whether the property can be used for your intended purposes. You should also determine whether the property meets your subjective personal preferences and needs.
8. **Common Areas:** Those portions of a CID that are not wholly owned by the individual homeowners are designated as "Common Areas". Usually, the CC&Rs and/or the Bylaws will define what constitutes the Common Areas, how they are used, who gets to use them, and who is responsible for maintenance. Some Common Areas may be available for use by all members and their guests, such as a lobby or garden. However, some Common Areas may be "Restricted" or "Exclusive Use" Common Areas with access limited to certain homeowners (this is often true with swimming pools and spas especially when there are multiple HOAs within a CID), or may be restricted to just one homeowner, such as a roof, deck, balcony, or patio. In some instances, the homeowner may be responsible for maintenance of certain Restricted or Exclusive Use Common Areas. You should determine for yourself whether there are any restrictions affecting the Common Areas which could impact your intended use and enjoyment of the property.
9. **Parking and Storage:** You should determine for yourself whether the allotted parking space(s) are adequate to park your vehicle(s) in the assigned spaces by actually parking in those spaces. Parking space(s) and storage space(s), if any, may be described in a Condominium Map or in the Preliminary Report issued by a Title Company. The actual markings, striping and numbering of these space(s) may not accurately reflect the actual spaces and may be in conflict with the space(s) designated in the recorded documents. It is therefore crucial that you personally determine if the parking and storage space(s) that are designated in the recorded documents are actually the space(s) being transferred to you and that those space(s) are acceptable for your needs and intended uses of the property.
10. **Litigation:** Many CIDs have been involved in, or are presently involved in, or may become involved in, litigation regarding the design, construction, maintenance and/or condition of all or a part of the Development. Whether or not these lawsuits are successful, litigation is expensive, and the cost of such legal actions may impact not only the adequacy of the HOA reserves but also the amount of current or future assessments. Such litigation may also impact the willingness of lenders to make a loan secured by the property, and buyer's ability to obtain a loan to purchase the property.
11. **Special Needs:** HOA documents may limit the number and size of animals allowed in units. Fair Housing Laws may impact the effect of such rules on "service" and/or "companion" animals. HOAs on their own, or because of local ordinances, may limit or completely ban smoking and/or vaping in common areas or units. The ability for new buyers to rent units and/ or to operate any type of business may also be limited or completely forbidden. Therefore, it is important that you review all HOA documents to ascertain whether there are any limitations on your particular needs or planned use of the property.
12. **Brokers:** Real estate licensees who forward HOA documentation to you have not verified and will not verify either the information provided or the completeness or accuracy of the documentation unless they agree to do so in writing.

The undersigned Buyer acknowledges receipt of this 2-page Advisory.

Buyer: _____ Date: _____

Buyer: _____ Date: _____

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BUYER INVESTIGATION WAIVER

(This form is intended for use between a buyer and buyer's broker.)

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

Property Address: 1115 Calabria St, Santee, CA 92071 ("Property").

This form does not alter the legal or contractual relationship between a buyer and seller.

1. **IMPORTANCE OF PROPERTY INVESTIGATION:** Unless otherwise specified in the purchase agreement used, the physical condition of the land and any improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, **(i)** you should conduct thorough inspections, investigations, tests, surveys and other studies ("Investigations") of the Property personally and with professionals of your own choosing who should provide written reports of their findings and recommendations, and **(ii)** you should not rely solely on reports provided by Seller or others. A general physical (home) inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If any professional recommends additional Investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional Investigations.
2. **BUYER RIGHTS AND DUTIES:** You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and to investigate and verify information and facts that you know or that are within your diligent attention and observation. If the purchase agreement gives you the right to investigate the Property the best way to protect yourself is to exercise this right. However, you must do so in accordance with the terms of, and time specified in, that agreement. It is extremely important for you to read all written reports/disclosures provided by professionals and to discuss the results of Investigations with the professionals who conducted the Investigations.
3. **WAIVERS:**
   A. **HOME INSPECTION WAIVER:** Broker recommends that Buyer obtain a home inspection, **even if Seller or Broker has provided Buyer with a copy of a home inspection report obtained by Seller or a previous buyer. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**
   _____/_____ Buyer has decided not to obtain a general home inspection at this time. Unless Buyer makes a subsequent election in writing during Buyer's investigation period, if any, Buyer waives the right to obtain a general home inspection.
   B. **WOOD DESTROYING PEST INSPECTION WAIVER:** Broker recommends that Buyer obtain an inspection for wood destroying pests and organisms (whether paid for by Buyer or Seller). **IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**
   _____/_____ Buyer has decided not to obtain an inspection for wood destroying pests and organisms at this time. Unless Buyer makes a subsequent election in writing during Buyer's investigation period, if any, Buyer waives the right to obtain an inspection for wood destroying pests and organisms.
   C. **OTHER:** Broker recommends that Buyer obtain an inspection for the following items: _____
   _____
   _____
   IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.
   _____/_____ Buyer has decided not to obtain the inspection(s) noted above at this time. Unless Buyer makes a subsequent election in writing during Buyer's investigation period, if any, Buyer waives the right to obtain such inspection(s).
4. **WAIVERS OF ADDITIONAL INVESTIGATIONS RECOMMENDED BY OTHER REPORTS:**
   A. Buyer has received the following Report(s) that recommend that Buyer obtain additional Investigations:
   ☐ General Home Inspection Report, prepared by _____ dated _____
   ☐ Wood Destroying Pest and Organism Report, prepared by _____ dated _____
   ☐ Other Inspection Report, prepared by _____ dated _____
   ☐ Other Inspection Report, prepared by _____ dated _____
   ☐ Other Inspection Report, prepared by _____ dated _____
   B. Broker recommends that Buyer obtain those additional Investigations. **IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**
   _____/_____ Buyer has decided not to obtain any of the additional inspections, investigations, or reports at this time and, unless Buyer makes a subsequent election in writing during Buyer's investigation period, if any, Buyer waives the right to obtain such additional inspections, investigations, or reports.

Buyer represents and agrees that Buyer has independently considered the above, and all other Investigation options, has read all written reports provided by professionals and discussed the results with the professional who conducted the Investigation. Buyer further agrees that unless Buyer makes a subsequent election in writing during Buyer's Investigation period, if any, Buyer waives the right to conduct the Investigation(s) above.

Buyer _____ Date _____

Buyer _____ Date _____

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CALIFORNIA ASSOCIATION OF REALTORS®

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.

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EQUAL HOUSING OPPORTUNITY

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Lisa Soltesz
Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwolf.com

(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 Brad Bonney Date 09/14/2026

Seller authorized signer on behalf of Opendoor Property Trust I 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 6/26)

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 professionals even if Seller or Broker 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 will 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 to 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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A. Investigation of Physical Conditions

A1. 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 are 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 investigation contingency period. Brokers do not have expertise in this area.

A2. 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, PCBs, 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 investigation 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.

A3. 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 investigation 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.

A4. 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 is 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 if it 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 geological 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.

A5. 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 during 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 and does not 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 to address Buyer's area of concern. 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 someone 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.

A6. 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 it may not affect some people at all. Mold may be caused by water leaks or other sources of moisture such as, but not

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limited to, flooding, and leaks in windows, pipes, and roofing. 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. 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.

A7. 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 they 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 introduced 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.

A8. 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 may 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 is 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.

A9. 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.

A10. 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 are 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 should 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.

A11. 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. Even if 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.

A12. 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 investigation contingency period. Brokers do not have expertise in this area.

A13. 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 investigation contingency period. Brokers do not have expertise in this area.

A14. FIRE HARDENING, DEFENSIBLE SPACE, AND WILDFIRE DISASTERS: California experiences wildfires that damage and destroy many properties. 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 may require sellers to provide buyers with statements of compliance with local mandates if adopted by local agencies, or alternatively may require buyers to obtain statements of compliance after close of escrow. 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 and 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 non-exhaustive 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.

A15. 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 review 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 also recommend that Buyer hire a qualified California real estate attorney to address any questions or concerns Buyer may have regarding title, the preliminary title report, or any matters addressed in this paragraph. Brokers do not have expertise in this area.

B. Property Use and Ownership

B1. 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.

B2. 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.

B3. 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 Buyer's 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.

B4. 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.

B5. 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.

B6. 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 investigation contingency period. Brokers do not have expertise in this area.

B7. 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 investigation contingency period if any of these issues are of concern to Buyer. Brokers do not have expertise in this area.

B8. 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 Buyer's 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

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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. Whether 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 contain exclusions. as do all insurance policies, 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 has mistakenly 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.

B9. LAND LEASE: Buyer and Seller are advised that certain developments are built on leased land. This means that: **(i)** Seller does not own the land, and unless Buyer has an agreement with the land owner, Buyer will not own the land upon close of escrow; (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.

B10. 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.

B11. 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.

B12. 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 investigation contingency period. Brokers do not have expertise in this area.

B13. 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, sprinklers, or other fire suppression systems, **(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.

B14. 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 investigation contingency period. Brokers do not have expertise in this area.

B15. 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 investigation contingency period. Brokers do not have expertise in this area.

B16. 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.

B17. 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.

B18. 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

C1. 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

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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.

C2. 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.

C3. 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.

C4. 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 investigation contingency period. Brokers do not have expertise in this area.

C5. 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 investigation contingency period. Brokers do not have expertise in this area.

C6. WILDLIFE: California is 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.

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C7. 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 investigation contingency period. Brokers do not have expertise in this area.

D. Legal Requirements (Federal, State and Local)

D1. 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.

D2. 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 investigation 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.

D3. EPA's LEAD-BASED PAINT RENOVATION, REPAIR AND PAINTING RULE: The new rule requires that contractors and maintenance professionals working in pre-1978 housing, childcare 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.

D4. 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.

D5. 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.

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D6. 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 Buyer's lender and/or insurance agent during Buyer's investigation contingency period. Buyer is advised that there is a potential for flooding even outside designated zones. Brokers do not have expertise in this area.

D7. 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.

D8. 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 Seller's 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.

D9. 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.

D10. 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

E1. ELECTRONIC SIGNATURES: 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 documents 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 is 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.

E2. 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.

E3. 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.

E4. 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.

E5. 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.

E6. 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.

E7. 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.

E8. 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.

E9. 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.

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EQUAL HOUSING OPPORTUNITY

F. Other Factors Affecting Property

F1. 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.

F2. 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 investigation 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.

F3. 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."

F4. 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.

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F5. 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.

F6. 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.

F7. 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.

F8. 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.

F9. 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.

F10. 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 Brad Bonney Date 09/14/2026

SELLER authorized signer on behalf of Opendoor Property Trust I Date _____

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Opendoor Brokerage Inc.
303 2ND ST STE 600 SOUTH TOWER
San Francisco, California 94107
CA-broker@opendoor.com

June 17, 2026

To whom it may concern;

Opendoor Brokerage Inc. represents the seller in this transaction.

The listing brokerage consents to the buyer's broker and/or agent communicating directly with the seller during the course of this transaction.

Lisa Soltesz

Lisa Soltesz
Opendoor Brokerage Inc.

CALIFORNIA ASSOCIATION OF REALTORS®

ADDITIONAL AGENT ACKNOWLEDGEMENT

(C.A.R. Form AAA, Revised 6/26)

This is an addendum to the Purchase Agreement, OR ☐ Listing Agreement, ☐ Buyer Representation Agreement, ☐ Other _____ ("Agreement"), dated _____, on property known as 1115 Calabria St, Santee, CA 92071 between _____ ("Buyer/Tenant/Broker") and Opendoor Property Trust I ("Seller/Housing Provider/Broker"). The term Housing Provider also includes Landlord or Rental Property Owner.

1. Check **ONE** box **ONLY**. If both **paragraphs 1A** and **1B** apply, use separate AAA forms for each.
A. ☑ Multiple Associate-Licensees working with Seller/Housing Provider;
OR B. ☐ Multiple Associate-Licensees working with Buyer/Tenant;

2. A. The real estate licensees named below are all conducting real estate licensed activity under the same Broker:
Real Estate Broker name: _____
If applicable, Team Name: _____

B. The licensees below, and any licensee(s) listed in the Agreement (if not listed below), have entered into a separate written agreement to share responsibility and compensation for certain real estate licensed activity. The licensees have also informed Broker of, or have given Broker a copy of, that separate written agreement.

C. List ALL agents (list may include, but is not required to include, licensees named in the Agreement):

Agent Lisa Soltesz DRE Lic # 02280080
Agent Javier Gomez DRE Lic # 02071527
Agent _____ DRE Lic # _____
Agent _____ DRE Lic # _____
Agent _____ DRE Lic # _____
☐ Additional Licensees: _____

3. All parties understand, acknowledge and agree that, wherever the name of any licensee above is indicated, in the Agreement or a related document, as a representative for the Buyer/Tenant or Seller/Housing Provider specified above, the other licensees shall also be deemed to be named.
Note: If this form is only being used to modify a Buyer Representation Agreement, neither the Seller nor the Seller's Broker need to sign below. If this form is only being used to modify a Listing Agreement, neither the Buyer nor the Buyer's Broker need to sign below.

By signing below, all parties acknowledge that each has received a copy of this Additional Agent Acknowledgement, and each has read, understands, and agrees to its terms.

Buyer/Tenant _____ Date _____
Buyer/Tenant _____ Date _____
Seller/Housing Provider Brad Bonney Date 09/14/2026
Seller/Housing Provider authorized signer on behalf of Opendoor Property Trust I Date _____

Buyer's Brokerage Firm Opendoor Brokerage Inc DRE Lic. # 02061130
By Lisa Soltesz Lisa Soltesz DRE Lic. # 02280080 Date 09/14/2026
Seller's Brokerage Firm _____ DRE Lic. # _____
By _____ DRE Lic. # _____ Date _____

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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
- ☐ Too detailed
- ☐ Not detailed enough
- ☐ Clearly written
- ☐ Confusing

- ☐ 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_____.

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: 1115 Calabria St, Santee, CA 92071

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.

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: 1115 Calabria St, Santee, CA 92071

Date 09/14/2026 **Time** 9:00 AM Brad Bonney (Seller's signature) Brad Bonney (printed name)

authorized signer on behalf of Opendoor Property Trust I

Date_____ **Time** _____ _____ (Seller's signature) _____ (printed name)

Date 09/14/2026 Lisa Soltesz (Listing Agent's signature) Lisa Soltesz (printed name) Opendoor Brokerage Inc (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

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

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 Brad Bonney authorized signer on behalf of Opendoor Property Trust I Date 09/14/2026

Seller _____ Date _____

Buyer _____ Date _____

Buyer _____ Date _____

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Lisa Soltesz
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CALIFORNIA ASSOCIATION OF REALTORS®

SELLER'S AFFIDAVIT OF NONFOREIGN STATUS (FIRPTA)

(Use a separate form for each Transferor)

(C.A.R. Form AS, Reviewed 6/25)

1. **GENERAL INFORMATION REGARDING FIRPTA AND SELLER'S AFFIDAVIT OF NON-FOREIGN STATUS:** Internal Revenue Code ("IRC") §1445 provides that a transferee (Buyer) of a U.S. real property interest must withhold tax if the transferor (Seller) is a "foreign person." In order to avoid withholding, IRC §1445 (b) requires that the Seller (a) provides an affidavit to the Buyer with the Seller's taxpayer identification number ("TIN"), or (b) provides a proper affidavit, (such as this form) including Seller's TIN, to a "qualified substitute" who furnishes a statement to the Buyer under penalty of perjury that the qualified substitute has such affidavit in their possession. A qualified substitute may be **(i)** an attorney, title company, or escrow company responsible for closing the transaction, or **(ii)** the Buyer's agent (but not the Seller's agent).
2. **SELLER'S INFORMATION:**
   - **A. PROPERTY ADDRESS** (property being transferred): 1115 Calabria St, Santee, CA 92071 ("Property")
   - **B. TRANSFEROR'S NAME:** Opendoor Property Trust I ("Transferor")
   - **C. AUTHORITY TO SIGN:** If this document is signed on behalf of an Entity Transferor, THE UNDERSIGNED INDIVIDUAL DECLARES THAT HE/SHE HAS AUTHORITY TO SIGN THIS DOCUMENT ON BEHALF OF THE TRANSFEROR.
3. **EXEMPTION CLAIMED:** I, the undersigned, declare under penalty of perjury that, for the reason checked below, if any, I am exempt (or if signed on behalf of an Entity Transferor, the Entity is exempt) from the federal withholding law (FIRPTA):
   - **A.** ☐ (For individual Transferors) I am not a nonresident alien for purposes of U.S. income taxation.
   - **B.** ☑ (For corporation, partnership, limited liability company, trust, and estate transferor) The transferor is not a foreign corporation, foreign partnership, foreign limited liability company, foreign trust, or foreign estate, as those terms are defined in the Internal Revenue Code and Income Tax Regulations.
4. **QUALIFIED SUBSTITUTE OR DIRECT DELIVERY TO BUYER:**
   - **A. TRANSFEROR'S USE OF QUALIFIED SUBSTITUTE (TITLE OR ESCROW) TO SATISFY FIRPTA**
     (1) A Qualified Substitute shall be used in this transaction to satisfy the requirements under Internal Revenue Code § 1445. Seller shall provide a completed affidavit to the Qualified Substitute, who will furnish a statement (C.A.R. Form QS) to the Buyer stating, under penalty of perjury that the Qualified Substitute **(i)** has the Seller's affidavit; **(ii)** the affidavit is complete; and **(iii)** the Seller states in the affidavit that no withholding is required because an exemption is claimed.
     (2) Qualified Substitute may require Seller to complete and provide to Qualified Substitute the information in paragraph 5. If so, that information should be completed after this form is provided to Buyer. Qualified Substitute and Seller's Broker shall NOT provide the information in paragraph 5 to Buyer.
   - **B.** ☐ **TRANSFEROR ADDITIONAL INFORMATION DIRECT TO BUYER: If this paragraph is checked, Seller shall complete the information in 5 below and provide a completed form to Buyer.**
5. **SELLER INFORMATION (NOTE: DO NOT PROVIDE THE INFORMATION IN 5 BELOW TO BUYER UNLESS 4B IS CHECKED)**
   - **A.** Social Security No., or Federal Employer Identification No. (TIN) _____
   - **B.** Address _____
     (Use HOME address for individual transferors. Use OFFICE address for an "Entity" i.e.: corporations, partnerships, limited liability companies, trusts, and estates.)
   - **C.** Telephone Number _____
6. **CALIFORNIA WITHHOLDING:** Seller agrees to provide escrow with necessary information to comply with California Withholding Law, Revenue and Taxation Code, §18662

I understand that this affidavit may be disclosed to the Internal Revenue Service by the transferee, and that any false statement I have made herein may result in a fine, imprisonment or both.

By Brad Bonney authorized signer on behalf of Opendoor Property Trust I Date 09/14/2026
(Transferor's Signature) (Indicate if you are signing as the grantor of a revocable/grantor trust).

Brad Bonney
Typed or printed name

Title (If signed on behalf of Entity Transferor)

Buyer's unauthorized use of disclosure of Seller's TIN could result in civil or criminal liability.

Buyer _____ Date _____
(Buyer acknowledges receipt of a Copy of this Seller's Affidavit).

Buyer _____ Date _____
(Buyer acknowledges receipt of a Copy of this Seller's Affidavit).

IMPORTANT NOTICE: An Affidavit should be signed by each individual or entity Transferor to whom or to which it applies. Before you sign, any questions relating to the legal sufficiency of this form, or to whether it applies to you or to a particular transaction, or about the definition of any of the terms used, should be referred to a qualified California real estate attorney, certified public accountant, or other professional tax advisor, the Internal Revenue Service, or the California Franchise Tax Board.

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For further information on federal guidelines, see C.A.R. Legal Q & A *"Federal Withholding: The Foreign Investment in Real Property Tax Act,"* and/or IRS Publication 515 or 519. For further information on state guidelines, see C.A.R. Legal Q & A *"California Nonresident Withholding,"* and/or California FTB Pub. 1016.

FEDERAL GUIDELINES

FOREIGN PERSONS DEFINED. The following general information is provided to assist sellers in determining whether they are "foreign persons" for purposes of the Foreign Investment in Real Property Tax Act (FIRPTA), IRC §1445. FIRPTA requires a buyer to withhold and send to the IRS 15% of the gross sales price of a United States (U.S.) real property interest if the seller is a foreign person. Certain restrictions and limitations apply. No withholding is required for a seller who is a U.S. person (that is, not a foreign person). In order for an individual to be a U.S. person, he/she must be either a U.S. citizen or a U.S. resident alien. The test must be applied separately to each seller in transactions involving more than one seller. Even if the seller is a foreign person, withholding will not be required in every circumstance.

NONRESIDENT ALIEN INDIVIDUAL. An individual whose residence is not within the U.S. **and** who is not a U.S. citizen is a nonresident alien. The term includes a nonresident alien fiduciary. An alien actually present in the U.S. who is not just staying temporarily (i.e., not a mere transient or sojourner), is a U.S. resident for income tax purposes. An alien is considered a U.S. resident and not subject to withholding under FIRPTA if the alien meets either the **green card test** or the **substantial presence test** for the calendar year.

GREEN CARD TEST. An alien is a U.S. resident if the individual was a lawful permanent resident of the U.S. at any time during the calendar year. This is known as the "green card test."

SUBSTANTIAL PRESENCE TEST. An alien is considered a U.S. resident if the individual meets the substantial presence test for the calendar year. Under this test, the individual must be physically present in the U.S. on at least: (1) 31 days during the current calendar year; and (2) 183 days during the current year and the two preceding years, counting all the days of physical presence in the current year but only 1/3 the number of days present in the first preceding year, and 1/6 the number of days present in the second preceding year.

DAYS OF PRESENCE IN THE U.S. TEST. Generally, a person is treated as physically present in the country at any time during the day. However, if a person regularly commutes to work in the U.S. from a residence in Canada or Mexico or is in transit between two points outside the U.S. and is physically present in the country for less than 24 hours, he/she is not treated as present in the U.S. on any day during the transit or commute. In addition, the individual is not treated as present in the U.S. on any day during which he/she is unable to leave the U.S. because of a medical condition which arose while in the U.S.

EXEMPT INDIVIDUAL. For the substantial presence test, do not count days for which a person is an exempt individual. An exempt individual is anyone in the following categories:

1) An individual temporarily present in the U.S. because of (a) full-time diplomatic or consular status, (b) full-time employment with an international organization or (c) an immediate family member of a person described in (a) or (b).
2) A teacher or trainee temporarily present in the U.S. under a "J" visa (other than as a student) who substantially complies with the requirements of the visa. An individual will not be exempt under this category for a calendar year if he/she was exempt as a teacher or trainee or as a student for any two calendar years during the preceding six calendar years.
3) A student temporarily present in the U.S. under an "F" or "J" visa who substantially complies with the requirements of the visa. Generally, a person will not be exempt as a student for any calendar year after the fifth calendar year for which he/she was exempt as a student, teacher or trainee. However, the individual may continue to be exempt as a student beyond the fifth year if he/she is in compliance with the terms of the student visa and does not intend to permanently reside in the U.S.

CLOSER CONNECTION TO A FOREIGN COUNTRY. Even if an individual would otherwise meet the substantial presence test, that person is not treated as meeting the test for the current calendar year if he/she:

1) Is present in the U.S. on fewer than 183 days during the current year, and has a tax home in a foreign country and has a closer connection to that country than to the U.S.
2) **SPECIAL RULES.** It is possible to be both a nonresident alien and a resident alien during the same tax year. Usually this occurs for the year a person arrives in or departs from the U.S. Other special provisions apply to individuals who were U.S. residents for at least three years, cease to be U.S. residents, and then become U.S. residents again.

NONRESIDENT ALIEN INDIVIDUALS MARRIED TO U.S. CITIZENS OR RESIDENT ALIENS may choose to be treated as resident aliens for most income tax purposes. However, these individuals are considered **nonresidents** for purposes of withholding taxes.

A FOREIGN PERSON OR PARTNERSHIP is one that does not fit the definition of a domestic corporation or partnership. A domestic corporation or partnership is one that was created or organized in the U.S., or under the laws of the U.S., or of any U.S. state or territory.

GUAM AND U.S. VIRGIN ISLANDS CORPORATIONS. A corporation created or organized in or under the laws of Guam or the U.S. Virgin Islands is not considered a foreign corporation for the purpose of withholding tax for the tax year if:

1) at all times during the tax year, less than 25% in value of the corporation's stock is owned, directly or indirectly, by foreign persons, and
2) at least 20% of the corporation's gross income is derived from sources within Guam or at least 65% of the corporation's income is effectively connected with the conduct of a trade or business in the U.S. Virgin Islands or the U.S. for the 3-year period ending with the close of the preceding tax year of the corporation, or the period the corporation has been in existence if less.

A NONRESIDENT ALIEN TRUSTEE, ADMINISTRATOR OR EXECUTOR of a trust or an estate is treated as a nonresident alien, even though all the beneficiaries of the trust or estate are citizens or residents of the U.S.

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WILDFIRE DISASTER ADVISORY

(For use with properties in or around areas affected by a wildfire)

(C.A.R. Form WFDA, Revised 12/25)

1. **WILDFIRE DISASTERS:** Buyer/Tenant is aware that as a result of recent wildfire disasters there are current and unresolved health and safety concerns related to the aftermath and clean up of the wildfire disaster areas, as well as unknown and possible future concerns related to the rebuilding of infrastructure in the affected areas of the wildfires. Unfortunately, the impact of wildfires has not been limited to the fire areas themselves. Many areas have had air quality impacted by smoke and air particulates from distant fires. Additionally, fires continue to occur in previously unaffected areas. Fires may be an issue throughout the state of California.

2. **WILDFIRE DISASTER CONCERNS AND ISSUES:** The following non-exhaustive list represents concerns and issues that may impact Buyer/Tenant decisions about purchasing or leasing property impacted by a wildfire disaster, both now and in the future. It is not intended to be, nor can it be, a checklist for all issues that might arise when purchasing or leasing property impacted by a wildfire disaster. **Concerns and issues include, but are not limited to:**
   - **A.** Insurance-related issues such as past claims, the importance of identifying the insurability of the property, and the availability and the cost of insurance as early in the process as possible;
   - **B.** Lot clearing costs and requirements; toxic materials analysis, debris removal requirements;
   - **C.** Whether the home has been fire hardened, and if so to what extent, to help reduce the risk of the structure catching fire;
   - **D.** Local, state and federal requirements for cleanup and building approvals;
   - **E.** Air quality, soil quality, and any other environmental or personal health concerns, even after the wildfire event has ended;
   - **F.** Timelines, costs and requirements when obtaining required permits for building and utilities installation;
   - **G.** Availability of and access to electricity, gas, sewer and other public or private utility services;
   - **H.** Water delivery/potability; septic and/or sewer design; requirements and construction costs;
   - **I.** Potential redesign of streets and infrastructure including possible eminent domain, land condemnation and/or acquisition;
   - **J.** Inconvenience and delays due to road construction and unavailability of various goods, systems, or services; and
   - **K.** Impact that federal, state or local disaster declarations may have on materials prices, costs and rents.

3. **BUYER/TENANT ADVISORIES:** Buyer/Tenant, you are hereby advised:
   - **A.** To check early in your transaction to determine if you are able to obtain insurance on the property.
   - **B.** To investigate to your own satisfaction any and all of your concerns about the intended use of the property.
   - **C.** That the wildfire disaster area will likely be under construction for a protracted period of time after a fire, and you may be inconvenienced by delays, traffic congestion, noise, dust, and intermittent availability of utilities.
   - **D.** That due to the extraordinary catastrophe of a wildfire, there may be changes and variations in local, state or federal laws, codes, or requirements throughout the ongoing process of planning and rebuilding in the wildfire disaster area.
   - **E.** That some insurers have reduced or cancelled offerings for fire insurance, or have increased costs, and this may impact your ability to afford or to qualify for loans or meet income ratios for rentals.
   - **F.** That if you are unable to obtain fire insurance, and you have removed the insurance contingency, and you are unable to proceed with your transaction, you may be in breach of the purchase or rental agreement.

4. **RESOURCES:** Below is a non-exhaustive list of potential resources provided as a starting point for Buyer/Tenant 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 https://wildfirerecovery.caloes.ca.gov/
   - **C.** California Department of Forestry and Fire ("Cal Fire") https://calfire.ca.gov/ and https://www.readyforwildfire.org/
   - **D.** California Department of Transportation https://dot.ca.gov
   - **E.** California Attorney General https://oag.ca.gov/consumers/pricegougingduringdisasters#8C1
   - **F.** American Institute of Architects "Wildfire Recovery Resources" https://aia.org/pages/165776-wildfire-recovery-resources
     1. "Hardening for Wildfire Resilience" https://aiacalifornia.org/what-you-can-do-right-now/hardening-for-wildfire-resilience/
     2. "Component Fire Relief and Recovery Resources" at https://aiacalifornia.org/news/aia-component-fire-relief-and-recovery resources/
   - **G.** Buyer/Tenant is advised to check all local municipalities (County, City, and/or Town where the property is located) for additional resources.

5. **FIRE HARDENING AND DEFENSIBLE SPACE ADVISORY:**
   - **A. DISCLOSURE AND COMPLIANCE: California law requires certain disclosures be made concerning a property's compliance with safeguards that may minimize the risk of a structure on the property catching fire (fire hardening) and that an agreement be reached concerning compliance with requirements that the area surrounding structures be maintained to minimize the risk of the spread of wildfires (defensible space). The fire hardening and defensible space laws only apply if, among other requirements, the property is located** in either a **high or very high fire** hazard severity zone. If there exists a final inspection report covering fire hardening or defensible space compliance, such a report may need to be provided to the buyer. C.A.R. Form FHDS may be used to satisfy the legal requirements.
   - **B. WHERE TO LOCATE INFORMATION:** Seller has the obligation to determine if compliance with the fire hardening and defensible space requirements are applicable to Seller and the property. 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.

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C. **POST CLOSING ISSUES:** A buyer who agrees to bring the property into compliance with defensible space laws after Close of Escrow, and does not do so: **(i)** May be subject to fines and enforcement actions by government agencies in addition to the cost of compliance; **(ii)** May incur increases in property insurance premiums or cancellation of such insurance policies; and **(iii)** Will be responsible for making appropriate disclosures concerning compliance with the property's defensible space laws when reselling the property.

D. **OPTIONAL DISCLOSURE AND REPORTS:** Even if the property is not in either of the zones specified above, or if the Seller is unable to determine whether the property is in either of those zones, if the property is in or near a mountainous area, forest-covered lands, brush-covered lands, grass-covered lands, or land that is covered with flammable material, a Seller may choose to make the disclosures because a Buyer might consider the information material. Reports in the Seller's possession that materially affect the value and desirability of the property shall be Delivered as provided by the agreement.

6. **BUYER/TENANT ACKNOWLEDGEMENT:** Buyer/Tenant understands that Real Estate Agents and Real Estate Brokers have no authority or expertise in providing guidance through the process of investigating the concerns described herein. Buyer/Tenant has an affirmative duty to exercise reasonable care in protecting themselves.

By signing below, Buyer/Tenant acknowledges that they have received a copy of this Wildfire Disaster Advisory, and they have read and understand its terms.

Buyer/Tenant _____ Date _____

Buyer/Tenant _____ Date _____

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REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (FOR SELLER REPRESENTATIVES)

(C.A.R. Form RCSD-S, Revised 6/23)

This form is not an assignment. It should not be used to add new parties after a contract has been formed. The purpose of this form is to identify who the principal is in the transaction and who has authority to sign documents on behalf of the principal.

☐ The disclosure in this form supersedes any Legally Authorized Signer representation or Representative Capacity Signature Disclosure made in the Agreement specified below or on separate form.
This is a disclosure to the Purchase Agreement, OR ☐ Listing Agreement, ☐ Other _____ ("Agreement"),
dated _____, for the property known as 1115 Calabria St, Santee, CA 92071 ("Property"),
between _____ ("Buyer", ☐ Listing Broker, ☐ Other).
and Opendoor Property Trust I ("Seller").
Buyer and Seller are referred to as the "Parties." If a trust, in the blank line above identify Seller as the trustee(s) of the trust or by simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust 3.). Full name of trust should be identified in 1A below. If power of attorney, insert principal's name as Seller.

1. A. ☑ **TRUST:** (1) The Property is held in trust pursuant to a trust document, titled (Full name of trust): Opendoor Property Trust I _____ dated _____
(2) The person(s) signing below is/are Sole/Co/Successor Trustee(s) of the Trust.

B. ☐ **ENTITY:** Seller is a ☐ Corporation, ☐ Limited Liability Company, ☐ Partnership ☐ Other: _____ which has authorized the officer(s), managing member(s), partner(s) or person(s) signing below to act on its behalf. An authorizing resolution of the applicable body of the entity described above ☐ is ☐ is not attached.

C. ☐ **POWER OF ATTORNEY:** Seller ("Principal") has authorized the person(s) signing below ("Attorney-In-Fact", "Power of Attorney" or "POA") to act on his/her behalf pursuant to a General Power of Attorney (☐ Specific Power of Attorney for the Property), dated _____. **This form is not a Power of Attorney. A Power of Attorney must have already been executed before this form is used.**

D. ☐ **ESTATE**: (1) Seller is an ☐ estate, ☐ conservatorship, or ☐ guardianship, identified by Superior Court Case name as _____, Case #_____ .
(2) The person(s) signing below is/are court approved representatives (whether designated as Sole or Co-Executor, Administrator, Conservator, Guardian) of the estate, conservatorship or guardianship identified above.

2. Seller's Representative represents that the trust, entity or power of attorney for which that Party is acting already exists.

Seller:

By Brad Bonney Date: 09/14/2026
(Sign Name of Trustee, Officer, Managing Member, Partner, Attorney-in-Fact or Administrator/Executor)
(Print Representative Name) Brad Bonney Title: Authorized Signer

By _____ Date: _____
(Sign Name of Trustee, Officer, Managing Member, Partner, Attorney-in-Fact or Administrator/Executor)
(Print Representative Name) _____ Title: _____

Acknowledgement of Receipt by Other Party:

Buyer/Broker/Other _____ Date: _____

Buyer/Broker/Other _____ Date: _____

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Opendoor Brokerage LLC, 410 N Scottsdale Road #1600 Tempe AZ 85281 Phone: **4807790001** Fax: **none**
Lisa Soltesz Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwolf.com

TRUST ADVISORY

For Properties Being Sold by the Trustee of a Trust

(C.A.R. Form TA, Reviewed 6/25)

Property is being held in a revocable or irrevocable trust for the benefit of those persons or entities named as beneficiaries in the trust. For the purpose of the sale of Property, the trustee of the trust is treated as the Seller. Even if Seller is exempt from some obligations, Seller must still comply with many others. This Advisory is intended to inform Buyer and Seller of their rights and obligations independent of those established by the contract between them. **If Property is placed in a trust, any trustee must complete a TDS and other disclosures that would be required of other owners if: (i) any such trustee is a natural person AND (ii) the trust is a revocable trust, AND (iii) the trustee either is the former owner of Property or was an occupant in possession of Property within the preceding year. The disclosures are required of any trustee who meets the above requirements even if other trustees do not.**

1. **SELLER MAY BE EXEMPT FROM THE FOLLOWING:**
   - **A.** (1) **Disclosure Statements:** Seller, unless specified in **paragraph 1A(2)**, does not have to complete, sign and provide Buyer with a Real Estate Transfer Disclosure Statement or Natural Hazard Disclosure Statement (C.A.R Forms TDS and NHD). **Seller remains obligated to make the disclosures and comply with the items specified in Paragraph 1.**
     - (2) If Property has been placed in a trust, the trustee(s) of the trust is considered the Seller for the purpose of complying with disclosure laws. Seller must complete, sign and provide Buyer with a TDS if **(i)** the Seller is a natural person, AND **(ii)** the trust is a revocable trust, AND **(iii)** the trustee is either a former owner of the Property or was an occupant in possession of the Property within the preceding year.
   - **B. Other Exemptions:** Unless **paragraph 1A(2)** applies, Seller is exempt from providing Buyer with a Mello- Roos district lien disclosure, an Improvement Bond Act of 1915 notice, a Supplemental Property Tax notice, a Notice of Private Transfer Fee pursuant to California Civil Code § 1102 et seq. and completing and providing either a Homeowner's or Commercial Property Owners Guide to Earthquake Safety, including any corresponding form.
   - **C. Exempt Seller Disclosures:** Even exempt Sellers have statutory or contractual obligations to make certain disclosures and may, or are required by contract to, use an Exempt Seller Disclosure (C.A.R. Form ESD) and is strongly encouraged to do so.
2. **SELLER MUST COMPLY WITH THE FOLLOWING:**
   - **A. Known Material Fact Disclosures:** Seller is obligated to disclose known material facts affecting the value and desirability of the Property even if the specific Real Estate Transfer Disclosure Statement Form is not required to be completed.
   - **B. Hazard Zones:** Seller is not exempt from applicable statutory obligations to disclose earthquake fault zones, seismic hazard zones, state fire responsibility areas, very high fire hazard severity zones, special flood hazard areas and flood hazard zones pursuant to the Public Resources Code, Government Code and United States.
   - **C. Smoke Alarms:** The sale is not exempt from the State requirements that, for residential one to four units, operable smoke alarms (smoke detectors) be in place. It is negotiable between Buyer and Seller who is to pay for the cost of compliance.
   - **D. Water Heaters:** The sale is not exempt from the State requirement that water heaters be properly anchored, braced or strapped and that Seller provide a written statement of compliance to Buyer.
   - **E. Lead-based Paint:** The Seller is not exempt from the federal obligation to: **(i)** disclose known lead-based paint and lead-based paint hazards; **(ii)** provide Buyer copies of reports or studies covering lead-based paint and hazards on the Property; **(iii)** provide Buyer with the pamphlet "Protect Your Family From Lead In Your Home;" and **(iv)** give Buyer a 10-day opportunity to inspect for lead-based paint and hazards, if the Property contains residential dwelling units and was constructed prior to 1978.
   - **F. Carbon Monoxide Devices:** The sale is not exempt from the State requirement that for all dwelling units in a residential one to four unit property, the owner must install a carbon monoxide device approved and listed by the State Fire Marshal in the dwelling unit if the dwelling unit has a fossil fuel burning heater or appliance, fireplace, or an attached garage.
   - **G. Water Conserving Plumbing Fixtures: The Sale is not exempt from the State requirement that (i) single family residences built before January 1, 1994 be equipped with water conserving plumbing fixtures by January 1, 2017 and multi-family and commercial properties be equipped with water conserving plumbing fixtures by January 1, 2019; (ii) Sellers disclose to Buyers the requirements of the law; and (iii) sellers disclose to Buyers whether the Property contains any non-compliant plumbing fixtures. See C.A.R. Form WCMD for further information.**

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H. Tax Withholding: The sale is not exempt from providing information pertaining to the withholding obligation under either the federal "FIRPTA" or the California withholding requirements upon the sale of real property. **Federal:** For federal purposes, a non-resident alien includes a fiduciary. A trustee is treated as a non-resident even if all beneficiaries are citizens or residents of the United States. State: The trust may be exempt from withholding (but not the completion of the real estate withholding certificate) if: **(i)** the trust was revocable prior to the decedent's death; **(ii)** the Property was last used as the decedent's principal residence; and **(iii)** the trustee is electing to treat the trust as part of the decedent's estate under IRC § 645 (see Instructions for FTB Form 593-C).

I. Megan's Law Database Disclosure: The sale is not exempt from the requirement that residential sales contracts contain the following notice regarding the availability of information about registered sex offenders: "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 inspection contingency period. Brokers do not have expertise in this area.)

3. OTHER CONSIDERATIONS:

A. Local Law: Local law may impose obligations on the transfer of real property (such as the installation of low flow toilets or shower heads, emergency gas shut-off valves or installation of smoke detectors). Local law should be consulted to determine if sales by a trustee of a trust are exempt from such requirements.

B. Death: If the Property is being sold because of the death of an occupant of the Property, and if Buyer has concerns about the manner, location or details of the death, then Buyer should direct any specific questions to Seller.

4. BROKERS:

A. Inspection: The sale is not exempt from the Broker's obligation to conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose to Buyer material facts revealed by such an inspection in the sale of residential property containing one-to-four dwelling units. Brokers may do so on C.A.R. Form AVID.

B. Agency: The sale is not exempt from the obligation to provide agency relationship disclosure and confirmation forms in the sale of residential property containing one-to-four dwelling units, commercial Property and vacant land.

By signing below, the undersigned acknowledge that each has received a copy of this Trust Advisory, and each has read and understands its terms.

Seller Brad Bonney Date 09/14/2026

Seller authorized signer on behalf of Opendoor Property Trust I Date

AT TIME OF LISTING

Real Estate Broker Opendoor Brokerage Inc

By Lisa Soltesz Lisa Soltesz Date 09/14/2026

AT TIME OF SALE

Buyer Date

Buyer Date

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San Diego County Local Area Disclosures

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INTRODUCTION

PURPOSE OF DISCLOSURES AND IMPORTANT CONSIDERATIONS

The matters addressed in this San Diego County Local Area Disclosures ("Disclosures"; and each one a "Disclosure") are intended to be reviewed by both the Buyer and Seller in addition to all other disclosures related to the real estate transaction, which include but are not limited to, the Statewide Buyer and Seller Advisory (Form SBSA from the California Association of REALTORS® ("C.A.R.")). These Disclosures are not intended to eliminate a potential Buyer's duty to conduct physical inspections and further investigation of a property, nor do these Disclosures alleviate a Seller or its agents from making the legally required disclosures for real estate transactions.

Real estate brokers do not verify inspection results and do not guarantee the performance or findings of any inspector. Buyer is advised to conduct independent investigations and obtain all necessary information regarding matters of concern, rather than relying solely on information provided by Seller or real estate broker. Buyer should consult with qualified professionals, consultants, and relevant governmental agencies to evaluate all aspects of the Property, as real estate brokers are not experts in such matters. Wherever this Disclosure advises Buyer to investigate or verify information, such actions should be completed before Buyer removes any contingencies under the purchase contract. The decision to remove contingencies rests solely with Buyer.

MAP OF SAN DIEGO COUNTY

The cover page map outlines the various geographical areas of San Diego County which are discussed in these Disclosures. This map is not to scale and is provided for orientation purposes only.

DISCLAIMERS:

IMPORTANT CONSIDERATION: Buyer is strongly encouraged to review and inspect all disclosures and to otherwise satisfy themselves with regard to the Disclosures contained in this document and any other condition of the property, during the inspection period under the purchase contract, prior to the removal of contingencies, and prior to Close of Escrow.

REALTORS® Associations: These Disclosures were prepared by the North San Diego County Association of REALTORS® and the Pacific Southwest Association of REALTORS® and their agents and employees. While these Disclosures have been approved by these Associations, the Associations make no representation or warranty regarding the adequacy or the validity of these Disclosures in any real estate transaction and conditions may have changed since the information in these Disclosures was received by the Associations.

BROKERS: These Disclosures are made for informational purposes only and the Broker providing these Disclosures makes no representation or warranty regarding the adequacy or the validity of these Disclosures in any real estate transaction, and the Broker assumes no legal responsibility for accuracy.

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DISCLOSURES

1. GENERAL COUNTY-WIDE DISCLOSURES

a. Proposed Development

San Diego County is regularly undergoing various residential and commercial development projects. While certain development projects are identified in these Disclosures pursuant to their region, these Disclosures are in no way a comprehensive list of all current development projects in San Diego County. Buyer and Seller are encouraged to investigate all potential developments in relation to the property with the applicable authorities. San Diego County is facing a serious housing shortage. County Officials and officials from the San Diego Metropolitan Transit System (MTS) are identifying land along transit corridors for high-density affordable housing. Land in these areas may be subject to rezoning. Some of these new developments may offer limited parking. New San Diego County regulations encourage residential development in unincorporated "villages" near transit while making development further from transit more expensive and restrictive.

Within San Diego County, regional and local governments often adopt long-term planning documents, such as general plans, comprehensive plans, community plans, and regional frameworks that guide future growth, development, land use, transportation, and environmental policy. These documents provide important context for current and future decision making that may affect the property. Buyer is encouraged to review any applicable regional, city, or community plans and to contact the appropriate planning agencies or governmental authorities for more information. San Diego County also has various regional plans that provide a broad context by which local and regional decisions are made by various jurisdictions. Although not a comprehensive list, additional information can be found here: https://www.sandag.org/regional-plan,
https://www.sandiego.gov/planning/work/general-plan,
https://www.sandiegocounty.gov/content/sdc/pds/generalplan.html.

b. Zoning Changes and Community Plan Amendments

Zoning classifications, land use designations, and community development plans are subject to change through action by local or regional authorities. Although a property's current zoning may allow specific uses or density, these permissions can be altered through general plan updates, community plan amendments, rezoning requests, or voter-approved initiatives. In addition, surrounding properties may be rezoned to permit different uses, including higher density residential, mixed-use, or commercial development. Such changes may impact neighborhood character, increase traffic, alter views, or create new noise or parking concerns. Buyer is advised not to rely solely on current zoning or nearby land uses when evaluating a property. Buyer should contact the applicable city or county planning department to determine whether any pending or proposed changes may affect the property or its surrounding area.

c. Homeowners Associations

A property may be subject to mandatory membership to one or possibly several homeowners' associations ("HOAs"). HOAs may charge mandatory regular membership assessments (commonly called "dues") per its By-laws and/or Conditions, Covenants, and Restrictions, which may restrict the use, modification, and development of a property. Membership dues may be charged on a monthly, quarterly, or annual basis, and additional assessments may be allowed, including fines or penalties. A failure to timely pay assessments may result in multiple risks, which may include foreclosure proceedings against the property owner. Properties with HOAs may also have separate insurance requirements, which may be paid through HOA dues and may also result in special assessments in addition to HOA dues. It is recommended that Buyer carefully review all HOA By-laws, articles, Conditions, Covenants, and Restrictions ("CC&Rs"), and financial documents with a legal professional.

d. Potential for Future Homeowners Association Formation

In some areas of San Diego County, particularly in newer developments, unincorporated areas, or master-planned communities, an HOA may be formed after initial development. Even if a property is not currently subject to an HOA, future governance structures or maintenance districts may be established to manage common areas, enforce community standards, or maintain infrastructure. The creation of an HOA or similar entity may result in mandatory assessments, rules and restrictions on property use, and the imposition of fines or penalties for noncompliance. These obligations may be recorded through amendments to subdivision maps, CC&Rs, or local agency resolutions. Buyer is advised to confirm whether the property is currently subject to an HOA and to inquire with the developer, title company, or local government as to whether any plans or conditions exist that may result in the future creation of such

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an entity. Buyer should consider the potential financial and regulatory impact of any future association or maintenance district that may be formed.

e. Private Transfer and Lifestyle Fees

Certain HOAs in San Diego County may charge a lifestyle fee on the sale of any property within that specific development. Lifestyle fees vary by development and are subject to change. Lifestyle fees are typically a percentage of the sales price of a property. These fees could affect a potential buyer's ability to obtain financing. Buyer is encouraged to contact the applicable HOA to discuss any potential lifestyle or other private transfer fees.

f. Road Maintenance Agreements

Many properties and/or developments throughout San Diego County may be subject to road maintenance agreements or other forms of shared expense agreements, and under such agreements, a failure to pay may lead to multiple risks. If a property is subject to such an agreement, a buyer may be responsible for a shared portion of regular maintenance fees for private roads or other shared infrastructure. Buyer is advised to investigate the existence of any such agreement with the necessary government, municipal, or owner association entities. Moreover, an unrecorded road maintenance agreement may not be binding on future owners of the properties intended to be responsible for road maintenance. In addition, California Highway Patrol and local law enforcement agencies may not enforce laws on private roads.

g. Property Use Restrictions – Short-Term Rentals, Rent Control and Tenant Rights

San Diego County and/or multiple cities within the County restrict, or are contemplating restricting, short-term and vacation rentals of residential properties. Restrictions may include bans or limitations with respect to short-term rentals including rental of homes through VRBO, Airbnb, Craigslist, and other short-term rental services. Additionally, properties within the immediate surrounding area of the property at issue may be used as short-term or vacation rentals, whether or not in compliance with existing restrictions within that community. Buyer is encouraged to investigate local restrictions on rentals and applicable uses in the area in which the property is located and the area surrounding the property. Please also be advised that there are numerous statewide and local laws, ordinances, and proposals to enact rent control and other tenant-favorable restrictions or regulations, which may limit the amount a rental property owner may charge a tenant for rent and or impose other limitations on traditional rental property owner's rights, including, without limitation, restrictions on a rental property owner's ability to terminate tenancies and to rehabilitate the property. Buyer is advised to investigate these issues with the applicable city or county entity for the property as well as the necessary professionals. In making these Disclosures, brokers and agents are not making any representation that any property can be used as a short-term or vacation rental or is, or is not, subject to rent control restrictions or regulations. Additionally, the enforcement of short-term rental regulations varies by city and may be inconsistent or delayed. Properties near the subject property may be used as short-term rentals, legally or otherwise, and such use may result in noise, parking challenges, or other disruptions. Buyers should not rely on existing use patterns, zoning maps, or representations about neighborhood character when assessing future conditions. Buyers are advised to investigate short-term rental activity and enforcement practices in the surrounding area with the appropriate city or county agency.

h. Soils, Landslides, Flooding, and Groundwater Seepage

Real estate in San Diego County is subject to subsidence, erosion, settling, slippage, earthquakes, and other movement of property. Additionally, a property may be constructed on fill or improperly compacted soils. This can result in inadequate drainage and damage to the property, including structural problems. Additionally, San Diego County is known for the potential for a property to contain expansive soil conditions. There are also areas of the County that are subject to groundwater seepage. Buyer is advised to consult with a civil or geotechnical engineer for any and all issues relating to soil stability, expansive soils, erosion, settling, slippage, earthquakes, other property movement, grading, compaction, drainage, and other soil-related conditions.

San Diego County has variable climate, differing terrain, soil, and water conditions, making many areas susceptible to flash flooding and drainage issues. Drainage issues may include, but are not limited to, water runoff from roofs, culverts, neighboring properties, and streets. Buyer is urged, regardless of the location of the property, to investigate flood risk and the drainage of the property.

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San Diego County may be subject to landslide activity. Such designations may restrict development and require geological investigations. Please contact the appropriate government authority in your area to determine if you are impacted by any such designation. Additional information can be found here: www.conservation.ca.gov/cgs/Pages/Index.aspx.

i. Parking

Certain cities and municipalities restrict on-street parking in either or both residential and commercial neighborhoods. Additionally, some local jurisdictions limit street parking and/or may require permits for street parking in certain neighborhoods. Additionally, certain condominiums and other planned communities may include a parking stall or spot as part of the property purchase while others assign a parking spot separately, if at all. It is recommended that Buyer investigates any potential parking concerns that may impact their purchase of a property. Buyer is advised to review the Preliminary Title Report to confirm which parking spots transfer with the property.

j. Prisons and Jails

San Diego County has several jails, prisons, detention centers, and work camps located within the County. Such facilities may undergo expansion at any given time. Buyer is encouraged to research the locations of these facilities in relation to any potential property purchase to evaluate the potential impact upon the value or desirability of any given property.

k. Historic Properties and Districts

Within San Diego County there are a number of historical districts which may restrict whether a property may be modified or developed. Municipalities may have historical resource ordinances or restrictions which may also limit or ban demolition or modification of certain properties, whether or not they are located within a historical district. Individual properties may also have different state and federal designations which have varying restrictions and benefits. Buyer should contact the local jurisdiction determine whether or not a property is impacted by such ordinances or district.

l. Fuel Pipelines

Within San Diego County there are various underground pipelines transmitting crude petroleum, natural gas, gasoline, ethanol, or other fuels. Additionally, all homes which use natural gas are connected to an underground gas distribution pipeline network. More information may be obtained from natural hazard disclosure providers as well as the National Pipeline Mapping System: www.npms.phmsa.dot.gov/, and San Diego Gas & Electric: www.sdge.com/.

m. Public Attractions

San Diego County is home to numerous public attractions, such as SeaWorld San Diego, Snapdragon Stadium, Del Mar Fairgrounds, Belmont Park, Petco Park, San Diego Zoo, San Diego Zoo Safari Park, Balboa Park, Old Town San Diego State Historic Park, USS Midway Museum, San Diego Wild Animal Park, LEGOLAND California, North Island Credit Union Amphitheatre, Frontwave Arena, Viejas Arena, The Rady Shell at Jacobs Park, Pechanga Arena, Sesame Place Park in Chula Vista, Barona Raceway (Ramona), as well as numerous other amphitheaters, parks, resorts, beaches, golf courses and other venues or attractions. Properties in these areas may be affected by traffic and noise which may be of concern to Buyer. Several tribal governments in San Diego County operate large-scale casinos and resort properties. Which include, but are not limited to, Viejas Casino & Resort (Alpine), Barona Resort & Casino (Lakeside), Sycuan Casino Resort (Dehesa), Jamul Casino (Jamul), Casino Pauma (Pauma Valley), Valley View Casino & Hotel (Valley Center), Harrah's Resort Southern California (Valley Center), and Santa Ysabel Resort & Casino (Santa Ysabel). Additionally, such attractions may be subject to closures for various reasons, both temporary and permanent in nature. Buyer is advised to investigate all venues and attractions near the property. These venues may operate 24 hours a day and host events such as concerts, festivals, and large public gatherings. Properties located near these facilities or along major access routes may experience increased traffic, crowd-related noise, event-related lighting, or ongoing expansion activities.

In addition to these fixed attractions, temporary or recurring events, such as street fairs, parades, community festivals, fireworks displays, neighborhood concerts, and other public gatherings, may occur throughout the County. These events, including informal neighborhood traditions like holiday decorations or block parties, can take place in commercial, recreational, or residential areas and may affect noise levels, parking availability, and traffic flow. Some events may occur without formal notice and may be seasonal or spontaneous in nature. Buyer should investigate the proximity and frequency of both permanent and temporary public attractions or events near the property.

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n. Illegal Encampments and Homelessness

There are numerous illegal encampments and other areas with homelessness located throughout San Diego County. Given the nature of the issue, such encampments and homeless persons are often located in urban environments, including in areas surrounding locations with homeless services (including tent facilities in the City of San Diego), in parks, canyon areas, under bridges or in other somewhat secluded or public areas. Moreover, given their transient nature, illegal encampments and areas of concentrated homelessness, often move frequently, as do other homeless persons. Buyer should investigate potential illegal encampments and areas of concentrated homelessness in their area, and be aware that homeless persons may move in the area of the property.

o. Fireplaces

Many homes throughout San Diego County contain Rampart General fireplaces, which historically have been prone to cracking. Repairs for Rampart General fireplaces are difficult and expensive and replacement may be required. Buyer is encouraged to have all fireplaces inspected, as any fireplace repair may be expensive, when repair is possible.

p. Trains, Trolley Lines and Transit Busses

San Diego County has many trains and train tracks exist in many places in the County. While many commercial passenger trains and trolleys currently limit their hours of operation, there are commercial shipping trains that will operate throughout the County at all hours of the day and night. Such train or trolley operations may create noise and exacerbate traffic conditions in certain areas. Buyer is encouraged to research the proximity of train and trolley tracks and stations to the property, and to observe train traffic during hours of operation which at times could be in the middle of the night. Schedules and hours of operation may change from time to time.

The San Diego Metropolitan Transit System ("MTS") operates various bus and trolley lines throughout the county. For more information regarding the MTS schedule and maps, please visit: www.sdmts.com. Similarly, the North County Transit District ("NCTD") also operates various bus lines throughout North San Diego County. For more information regarding the NCTD bus line schedule and maps, please visit: www.gonctd.com.

At any given time, MTS and NCTD may have several proposed routes pending approval and construction. For up-to-date information regarding proposed route expansions for MTS and NCTD, please check the above-referenced websites as well as the planning department websites for your specific city.

q. Airports within the County

There are several civilian and military airports/airfields in San Diego County. These include but are not limited to: i) San Diego International Airport, ii) Borrego Valley Airport, iii) Gillespie Field, iv) Brown Field, v) Montgomery Field, vi) Oceanside Municipal, vii) Ocotillo, viii) Ramona, ix) Agua Caliente Springs, x) Fallbrook Airpark, xi) Jacumba, xii) Marine Corps Air Station – Miramar, xiii) Marine Corps Base Camp Pendleton, xiv) McClellan-Palomar, and xv) Naval Air Station North Island. These areas, and potentially others, are subject to aircraft noise, including helicopter activity. For example, helicopters frequently travel between Marine Corps Air Station Miramar and Camp Pendleton. Flights may occur during both daytime and nighttime hours, seven days a week. In addition to aircraft noise, properties located near or beneath military flight paths may also be subject to ground vibrations, low-altitude overflights, and sonic disturbances, particularly from helicopters and jets engaged in training exercises. These impacts can arise at any time, day or night, and are not always reflected on public flight path or noise contour maps. Properties may therefore be located directly under active flight corridors. Unlike commercial airports such as San Diego International Airport, which currently impose "quiet hours" to limit nighttime operations, private and military airports/airfields are not subject to such restrictions. Buyers are strongly advised to investigate the proximity of any property to public, private, or military airports/airfields, as well as military training routes, and to carefully consider potential effects on noise, vibration, and overall quality of life. Buyer should also be aware that any existing flight restrictions are subject to change.

Several areas in San Diego County have, or may be, proposed as potential airport sites. Additionally, the future plans for San Diego International Airport and other local airports are uncertain. It is possible that there may be future expansion or construction at any local airport. More information regarding the potential expansion of San Diego International Airport and other potential airport developments and of the Carlsbad McClellan-Palomar Airport, may be found at the San Diego International Airport site at http://www.san.org/Airport-Projects at the County website at

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https://www.sandiegocounty.gov/content/sdc/dpw/airports/palomar/masterplan.html and the San Diego Association of Governments ("SANDAG") website at www.sandag.org.

r. Traffic Throughout County and Roadway Construction

San Diego County experiences roadway traffic throughout the County. Some areas in particular may experience heavy traffic due to their proximity to naval or military bases, public attractions such as sporting and concert venues, and the coast, amongst other locales. The Caltrans website, dot.ca.gov/, contains information regarding road closures, upcoming projects, as well as traffic. The property may also be in an area where local and state public authorities are completing various transportation projects. Plans and locations of such projects are regularly subject to change. It is recommended that the buyer review all CalTrans, city or county websites for additional information. For the most up-to-date information regarding state-sponsored road projects, please review the CalTrans website at www.caltrans.com.

s. Property Tax Assessments

Real estate taxes and other assessments may be imposed upon property based upon location within certain geographical locations and may vary over time. Assessments may include those for Mello Roos, School Bonds, and Special Districts (including, Infrastructure Financing, Community Services, Water, Fire Protection, Flood Control, Healthcare, Irrigation, Pest and/or Vermin Control, Lighting, Maintenance, Metropolitan Water, Municipal Water, Miscellaneous, Public Utility, School, and other districts). For up-to-date information regarding potential financial obligations from property assessments, please contact the San Diego County Tax Assessor at: www.sdttc.com.

t. Insurance Considerations for Homeowners

As a result of changes to California's insurance market, including the availability or cost of homeowner insurance coverage, it is important for Buyer to thoroughly research the availability and cost of homeowner's insurance.

u. Connection to Utilities and Potential Blackouts

Numerous properties, more commonly in rural areas of the County, are not connected to natural gas lines, and generally, use propane tanks or some other source of fuel to provide energy for the home or certain aspects of the home. Additionally, some properties, regardless of location, may not have connections to electricity, water, telephone lines, high-speed internet or other utilities. Buyer may encounter private wells, septic systems, propane tanks, and unmaintained roads. These conditions may affect financing, utility costs, and long-term property upkeep. Buyer is advised to determine what utility connections service the property and the sources of fuels that are available. Various districts or municipalities may assess Buyer for past-due fees through escrow. These fees could include water, sewer, gas, electric or other utilities. Buyer should verify past due utilities by contacting the particular local utility providers. Additionally, if utilities do not currently serve the property, Buyer should verify the availability and costs required to serve the property directly from the utility companies or public agencies involved and alternatives, if any, to one or more utilities.

v. Private Septic Systems

Many properties in rural or unincorporated areas of San Diego County are not connected to public sewer systems and instead rely on private septic systems for wastewater disposal. Septic systems may include underground tanks and drain fields, which require regular maintenance and periodic inspection to remain functional. A failing or undersized septic system can result in costly repairs, environmental hazards, or the inability to obtain required permits for additions or remodels. Local health agencies may require system upgrades or replacement as a condition of sale or future development. Buyer is advised to determine whether the property is served by a public sewer or a private septic system. If a septic system is present, Buyer should arrange for a qualified professional to inspect the system during the inspection period. Buyer should also review any available permits, capacity reports, or service records, and consult with local health authorities to confirm whether the system complies with current regulations.

w. Residential and Commercial Development

As a result of ongoing residential and commercial developments in San Diego County, there may be noise and traffic issues related to construction. Additionally, views may be affected by new buildings, trees, or other developments. Some developments are mentioned in this disclosure, but this should not be considered a comprehensive list. Buyer is advised to investigate to determine any new developments planned near the property.

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x. Cell Towers

Communities throughout San Diego County may contain sporadic, limited, or no cell phone coverage. In addition, many cell phone towers are not always apparent and may not be visible or are otherwise disguised in appearance. Buyer is urged to investigate cell phone coverage and any potential impact from the proximity of cell phone towers to the property.

y. Accessory Dwelling Units (ADUs)

ADUs may be allowed on the property or neighboring properties, which can include one or more units. Buyer is urged to verify any future plans to develop, remodel, or construct ADUs on the property, including neighboring properties. ADUs can affect population density, views, noise, parking, and other environmental conditions. San Diego County communities and the State are constantly updating ADU requirements and Buyer is urged to consult with qualified professionals to determine feasibility of ADU construction and potential impacts from ADUs on neighboring properties.

z. Natural Gas

Local jurisdictions across California are enacting bans or restrictions on natural gas. In 2021, California energy regulators advanced a plan that provided that every new home needs to be "electric-ready." As of 2022 more than 50 California cities and counties have adopted rules banning or discouraging gas hookups in new homes and other buildings. Cities in San Diego County are currently exploring restrictive gas use laws which may apply to existing buildings and/or residences. For example, the city of San Diego's climate action plan is seeking to reach net zero carbon emissions by 2035 in part by phasing out natural gas use in new and existing buildings.

aa. Golf Courses

Several golf courses are planned to be re-purposed entirely or in part. To confirm the current status of any golf courses in the vicinity, check the applicable city or the County planning or other departments to verify the status of nearby golf courses.

bb. Unpermitted Work or Additions

Some properties in San Diego County may contain structures, improvements, or modifications that were completed without permits or in violation of applicable building codes. These may include room additions, garage conversions, plumbing or electrical work, decks, fences, or outbuildings. Such work may not be visible during a standard inspection and may not have been disclosed by prior owners. Unpermitted work can result in fines, insurance limitations, resale complications, or requirements to remove or modify the improvements. Buyer is strongly advised to verify permit history and consult with the local building department to determine whether all structures and improvements on the property were properly permitted.

cc. Quarry Operations

Properties in San Diego County may be impacted by existing or proposed quarry operations, which can generate noise (including blasting), dust, vibration, heavy truck traffic, visual changes, and other environmental effects by use of heavy earth-moving equipment, crushers, loaders, drills and haul roads. Notable active and planned quarry sites include facilities near the San Luis Rey River in Fallbrook (Rosemary's Mountain Quarry), East County Sand Mine, El Monte Sand Mining Project, Cottonwood Sand Mine, and facilities operated by Robertson's and Superior as well as projects around Lakeside, El Cajon, Jamul, Spring Valley, and Otay Mesa (including the Otay Hills Quarry). These operations may persist for decades, and in some cases involve large-scale extraction, cement/asphalt batch plants, inert debris backfilling, and reclamation activities under long-term permits with the County of San Diego. Quarry activities have been documented to impose significant effects, including vibration and noise severe enough to shake homes, cause discomfort, impact daily livability, and have drawn public comment, environmental review, and ongoing community attention.

Buyers should examine whether any operating or proposed quarry(s) exist near the property. Researching environmental impact reports and County permits is advised, and contacting the San Diego County Planning & Development Services Department can provide further detail on possible long-term impacts, approvals, and mitigation measures.

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2. ENVIRONMENTAL DISCLOSURES

a. Earthquakes

San Diego County has experienced earthquakes in the past and will likely experience earthquakes in the future. Property damage caused by earthquakes is not always visible and/or discoverable by agents, brokers, or Buyer during an inspection or walkthrough of a property. Inspection by a licensed professional is recommended to determine the structural integrity of any given property. For more information, please review your Statewide Buyer and Seller Advisory provided by your agent and/or broker, and consider earthquake insurance coverage.

b. Flood Areas

Certain San Diego County properties may be subject to flooding. It is recommended that buyer review any and all Natural Hazard Disclosures provided. It is also recommended that Buyer consult flood maps provided by the San Diego County Department of Public Works and the Federal Emergency Management Agency ("FEMA") available at: www.sandiegocounty.gov/content/sdc/dpw/flood/flood_fema_insurance.html. Such flooding may affect the value of the property and result in damage, leaks, and embankment erosion, amongst other issues.

c. Wildfire Hazard Zones and Defensible Space

Portions of San Diego County are designated as High or Very High Fire Hazard Severity Zones by Cal Fire. These areas are often located near canyons, open spaces, rural hillsides, and other natural terrain. Properties located in or near these zones may be at elevated risk of wildfire damage. Such properties may be subject to strict vegetation management and defensible space requirements under local or state fire regulations. These regulations may require the removal of flammable vegetation within a certain distance of structures and may affect landscaping options or impose ongoing maintenance obligations. Buyer should be aware of the long-term insurance, evacuation, and defensible space maintenance implications of the property.

In addition, the presence of wildfire risk may affect the availability and cost of property insurance. Some insurance providers may limit coverage or impose higher premiums in wildfire-prone areas. Buyer is advised to investigate whether the property lies within a designated fire hazard zone, to review local fire history, and to consult with fire authorities and insurance professionals regarding current and potential restrictions, costs, or coverage limitations related to wildfire risk.

d. High Winds

San Diego County can experience very high winds (such as Santa Ana winds) and dry conditions which have caused downed power lines, wildfires, and other property damage in the past. These conditions may prompt utility providers to institute preventative power shutoffs ("blackouts") in high-risk areas. High winds can also result in falling trees, wind-blown debris, roof damage, and dust or odors carried over significant distances. Buyer is strongly encouraged to investigate the property's exposure to high wind events, any history of wildfire in the area, and the potential for power outages or other impacts related to such conditions.

e. Coastal Areas

Properties located in coastal areas and/or on coastal cliffs may suffer from erosion, failure, and damages. Soil and geological stability may impact the value of the property and the ability to build or maintain the property and/or its improvements. Buyer is advised to have an expert inspect such properties. Since San Diego County is a coastal county, with properties that are in communities which may have ocean, bay, and/or lagoon frontage, or which may be low-elevation coastal areas, these communities may be affected by coastal flooding and/or sea level rise, which are risks that Buyer may wish to investigate and/or take into account when considering a purchase of, or owning, coastal areas, and/or low-elevation coastal area, real estate. Numerous scientific sources have predicted that global warming can lead to rising seas. The National Oceanic and Atmospheric Administration ("NOAA") has developed a mapping tool that allows users to see NOAA's community-level predictions for the impacts from coastal flooding or sea level rise (up to 10 feet above average high tides). This mapping tool allows a user to enter most street addresses and see NOAA's estimate of areas near such address which could be impacted by sea level rise, or coastal flooding, of 1-10 feet and may be viewed at:
https://coast.noaa.gov/slr/#/layer/slr/0/11581024.663779823/5095888.569004184/4/satellite/none/0.8/2050/interHigh/midAccretion

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f. Nuisance and Noise

Properties located in San Diego County - particularly in more densely populated urban areas - may be subject to elevated noise levels from trains, trolleys, buses, traffic, and public events. Such events may include parades, sporting events, fireworks displays, and concerts, especially those held at Petco Park, Snapdragon Stadium, and other downtown venues. Additionally, some areas of the County may experience a higher presence of homeless and transient individuals, and services for such populations may be located nearby, whether on a temporary or permanent basis.

g. Short-Term Rentals and Tourist Activity

Various areas within San Diego County, particularly coastal neighborhoods, downtown districts, and areas near major attractions, have a high concentration of short-term vacation rentals. These properties are often rented through platforms such as Airbnb, VRBO, and similar services. Short-term rentals in the vicinity of the property may impact neighborhood character, noise levels, parking availability, and the overall sense of residential stability. Such impacts may occur even if the rentals are not operating in compliance with local laws. Local jurisdictions regulate short-term rentals differently. Some cities require permits or impose caps on the number of rental properties, while others may limit rental duration or require onsite management. Enforcement practices also vary and may be inconsistent. Buyer is advised to investigate whether the surrounding area includes a high volume of short-term rentals, and to review applicable city or county ordinances related to short-term rental activity. If Buyer is intending to operate a short-term rental they are strongly encouraged to confirm that such use is allowed and to obtain appropriate permits or approvals before removing any contingencies.

h. Hazardous Materials

Any given property may contain hazardous materials. This may include but is not limited to, lead, formaldehyde, asbestos, radon, and/or a substance known in the press as "Chinese drywall" (homes built between 2003 and 2008 may have higher risks related to such drywall). In addition, it is possible that hazardous materials (paints, insecticides, etc.) may remain on the property after purchase. Such materials may require removal and disposal by a professional.

i. Mold

Properties may have mold, mildew, fungi, or other living organisms present. Such organisms may cause health problems. Such organisms may or may not be visible or noticed during a walkthrough or even during a home inspection by a professional home inspector. It is recommended to have the property inspected and or tested by an appropriate environmental expert. More information regarding the health risks associated with mold and other living organisms may be viewed at: www.cdph.ca.gov/Programs/CCDPHP/DEODC/EHLB/IAQ/Pages/Mold-FAQs.aspx.

j. Animals

Any given San Diego County property may be inhabited or infested with various pests and/or animals, some of which may be poisonous. Such animals may include rodents, rabbits, coyotes, snakes, lizards, other reptiles, bears, bobcats, and mountain lions. Pests may include termites, spiders, bees, flies, mosquitos, ants, wasps, etc. Certain areas in San Diego County may be inhabited by both domestic and farm animals and property may have had certain domestic animals reside within it in the past. Please consult with the appropriate professional for more information regarding the effect, if any, that animals and pests may have on the property.

k. High Voltage Power Lines

San Diego County has several high-voltage power lines throughout the County. Buyer is encouraged to research the proximity of any potential property to such power lines as it may affect the value of the property. More information may be found at: www.sdge.com.

l. Local Vegetation, Groves, and Crops

Both commercial and private agricultural areas throughout the County may use both land and air insecticide spraying to protect its crops. Buyer is advised that these insecticides may impact surrounding properties. Certain properties in San Diego County may contain groves, crops, or vegetation that carry economic value. Buyer is advised to seek an appraisal and advice from qualified professionals as to the value of such items as well as the cost to maintain any such crops or groves.

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m. San Onofre Nuclear Generating Station

The San Onofre Nuclear Generating Station, located on Camp Pendleton, near the coast and the San Diego County/Orange County line, is an inactive nuclear power plant which contains two nuclear power generators and stores radioactive waste. The station is still in a decommissioning process, which will take several years to complete. More information may be found at the United States Nuclear Regulatory Commission at: www.nrc.gov.

n. Naval and Military Bases

San Diego County is home to several naval and other military bases, including but not limited to, Marine Corps Air Station – Miramar, Camp Pendleton, North Island Naval Station, Naval Amphibious Base Coronado, 32nd Street Naval Station, Outlying Landing Field – Imperial Beach, the Naval Weapons Station – Fallbrook, and the Point Loma Submarine Base. In addition to potential noise pollution and traffic areas near bases, it is possible naval vessels and facilities in these areas may be nuclear-powered and/or carry or store nuclear materials or weapons. Such military bases may also contain other military ordinances, fuels, or other hazardous materials. Additionally, military bases, including but not limited to Camp Pendleton, regularly conduct training exercises which may include live artillery fire and the detonation of military ordinance. Noises from these training exercises may be heard, particularly in North San Diego County. These facilities may be expanded or modified at any given time. Buyer should conduct all necessary investigations into the implications of the proximity of any property to such facilities.

o. Desalination Plants and Water Recycling Plants

A desalination plant is located in Carlsbad, California, and provides water to certain water district(s) in the County. It is possible that more desalination plants could be developed within San Diego County in the future. Proximity to such venues may affect property values. Some water districts now or in the future may recycle sewer water into potable water.

p. Landfills

There are several operating landfills in San Diego County, including but not limited to, the Miramar Landfill, Otay Landfill, Borrego Landfill, and the Sycamore Landfill. Additionally, there are several closed landfill sites and former refuse disposal stations. Buyer is advised to review the proximity of any such sites in relation to the property as proximity to such areas may affect property values. For more information, please review the San Diego County website: https://www.sandiegocounty.gov/content/sdc/dpw/recycling/Map.html.

q. Water Availability

California and areas feeding the Colorado River basin have suffered from many years of drought that may have a significant impact on the availability and cost of water service to property owners. Buyer is strongly encouraged to contact the local water district that services the subject property to verify the cost of current water service, the financial condition of the district, and any contemplated or proposed restrictions to future service.

r. Water Quality and Wells

The quality of water available at a particular property often varies by region and by individual property. Buyer is strongly encouraged to contact the local water district that services the subject property to obtain information regarding the water quality available at the property and to hire professionals to provide any environmental testing onsite. Furthermore, some properties in the County are serviced by wells located on the subject property or nearby. Buyer is advised to have an expert to inspect any wells for water output, quality, and possible contamination. Authorized inspectors are listed on the San Diego County website:
https://www.sandiegocounty.gov/content/sdc/deh/lwqd/sam_monitoring_well_page.html.

s. County Health Directives/Orders/Ordinances

County of San Diego or other governmental agencies may from time to time issue emergency orders relating to health and safety concerns due to infectious diseases or other widespread health hazards. Such orders may limit or inhibit the use of property after close of escrow. Buyer is advised to investigate all such orders with the County and/or applicable governmental agency.

t. De Anza Natural Project

The De Anza Natural Project is an amendment to the Mission Bay Park Master Plan, focusing on balancing recreational needs with natural habitat restoration. When completed, it may include new facilities such a multi-use

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waterfront trail and a non-motorized boat area, enhancing recreational activities and preparing for climate change impacts. For additional information, please review the San Diego website available at: https://www.sandiego.gov/planning/programs/work-programs/de-anza-natural.

u. Battery Storage

San Diego Gas & Electric has been rapidly expanding its battery energy storage and microgrid portfolio. There are around 21BESS and microgrid sites with 335 megawatts of utility-owned energy storage and another 49+ megawatts in development. San Diego County has experienced fires at battery energy storage facilities. These incidents posed significant safety risks, leading to temporary road closures and evacuation orders for nearby homes. There is public concern about the health, safety, and environmental risks posed by such facilities. More information is available at: https://www.sdge.com/major-projects/battery-energy-storage-systems-bess-and-microgrids.

v. Other Environmental Concerns

These Disclosures do not contain a full list of all possible environmental concerns that may affect a property, however environmental concerns may include, but are not limited to, electrical and magnetic fields, methane gas, private waste disposal systems, proximity to a County or city dump, contaminated soils or wells, local restrictions on property uses and development, preservation of Native American lands and artifacts as well as of local, endangered vegetation and possible wildlife. This list is not all-inclusive and Buyer is advised to hire licensed professionals for all inspections and environmental testing.

3. DISCLOSURES BY REGION

a. CENTRAL SAN DIEGO

i. Explosive Ordinance

Areas in and around the neighborhood of Tierrasanta may contain live, unexploded military ordinance due to the area's use as a military training base in World War II. While extensive cleanup efforts concluded in the area in 1994, caution is still required, including when traveling in the canyons and Mission Trails Park area.

ii. Mobility and Land Use Initiatives

San Diego is enhancing its mobility options by focusing on pedestrian improvements, expanding bike lanes, reducing parking requirements near transit, and implementing the "City of Villages" strategy. This strategy promotes growth in pedestrian-friendly, mixed-use areas connected by an improved transit system, encouraging active transportation and reducing car dependence. For more information, please visit: https://www.sandiego.gov/sustainability/mobility-and-land-use.

iii. Rose Canyon Fault Zone

The Rose Canyon Fault is an active earthquake fault system that runs through several coastal and central communities in San Diego County, including areas of La Jolla, University City, Old Town, downtown San Diego, and surrounding neighborhoods. Properties located near or within this fault zone may be subject to seismic risk beyond general regional activity. Portions of the Rose Canyon Fault are identified within Alquist-Priolo Earthquake Fault Zones, which may impose restrictions on construction or require geological investigations before development or significant remodeling. Ground rupture or seismic shaking may occur during a major earthquake event, and not all fault traces are visibly marked or disclosed in standard property records. Buyer is advised to investigate whether the property lies within or near an identified fault zone and to consult the California Geological Survey, city planning department, or a licensed geotechnical engineer for more information. Buyer should not assume that properties outside of the more widely known earthquake zones are free from fault-related risk.

b. SOUTHERN SAN DIEGO COUNTY

i. California/Mexico Border

Certain areas in the south westernmost portion of San Diego County, particularly those near the Tijuana River Valley, may be subject to noise, sewage, water, and air pollution due to their proximity to the United States–Mexico border. The presence of border infrastructure, including walls and surveillance systems, can affect local communities. These structures may influence property values, access, and environmental conditions. Buyer should consider the proximity and potential effects of such infrastructure.

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South County, particularly Imperial Beach and the Tijuana River Valley, faces ongoing challenges with cross-border pollution. Sewage spills and industrial runoff from Tijuana have led to beach closures and health concerns. Buyer should be aware of potential impacts on water quality and public health. For more information, please visit the San Diego County Air Pollution Control District website at www.sdapcd.org/ and the State of California San Diego Regional Water Quality Control Board website at www.waterboards.ca.gov/sandiego/.

Additionally, individuals may unlawfully cross the U.S.–Mexico border, and many travel northward through various parts of the County. For more information, please visit the U.S. Customs and Border Protection's San Diego Sector website at: www.cbp.gov/border-security/along-us-borders/border-patrol-sectors/san-diego-sector-california.

ii. South County Public Attractions

South San Diego County is home to numerous entertainment venues, including but not limited to, the North Island Credit Union Amphitheatre and Sesame Place in Chula Vista. Proximity to such venues may result in increased noise and traffic from concerts and events.

iii. Tijuana International Airport

The Tijuana International Airport is located immediately south of the United States/Mexico border. Properties close to the border may be impacted by aircraft-related noise from the Tijuana International Airport. This airport may also be accessed via the Cross Border Pedestrian Bridge (CBX). For more information go to www.crossborderxpress.com.

iv. Potential Developments in South Bay

A major Bay Front Development has been approved for Chula Vista's Bay Front. The development will include multiple hotels and residential units. https://www.portofsandiego.org/projects/chulavista-bayfront. Buyer is encouraged to research potential projects with the respective city officials. In addition, Millenia is currently being built in the Otay Ranch community of Chula Vista. Millenia is anticipated to be a 210-acre development consisting of 80 city blocks; with an anticipated 3,000 multifamily residences, 3.5 million square feet of office, retail, hospitality, civic, and mixed-use developments; with six parks, a library, and a school planned. More information may be found on the City of Chula Vista's website at www.chulavistaca.gov.

c. NORTHERN AND INLAND SAN DIEGO COUNTY

i. Farm/Agriculture Use of Areas – Odors

Northern and Inland San Diego County are home to numerous farms and other agricultural, ranch, dairy, and livestock enterprises. Due to this, properties in these areas may experience odors and other atmospheric conditions related to the agriculture, ranch, dairy and livestock enterprises in the area.

ii. Escondido – Chatham Brothers Barrel Yard – Hazardous Waste Site

Escondido is home to the Chatham Brothers Barrel Yard, which is designated as a hazardous waste site. It is also subject to an ongoing cleanup project. Development in or around this area may require special review and approval. Buyer should research this issue and the proximity to the barrel yard with the appropriate authorities.

iii. Fairbanks Ranch

Please be advised that Fairbanks Ranch is a private community, which is subject to bylaws and covenants, conditions, and restrictions related to its HOA. Fairbanks Ranch also has several easements and common areas throughout the community which may affect a property. Fairbanks Ranch has also had soil issues due to its fill, which may need to be investigated. Lastly, Fairbanks Ranch is home to an Equestrian Center. Future plans for the vicinity as well as uses within the area may impact the value of a property.

iv. Fallbrook Public Utilities District and Rainbow Municipal Water District

When purchasing a property that is within the Fallbrook Public Utilities District or the Rainbow Municipal Water District, it is possible that delinquent or otherwise unpaid fees may be assessed to you. However, the district has in the past accepted payments of all delinquent utilities through escrow. To determine whether utility fees are owed on a prospective property and to arrange payment, the buyer may contact the Fallbrook Public Utilities District

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at: www.fpud.com, or call (760) 728-1125. Buyer may contact the Rainbow Municipal Water District at: www.rainbowmwd.com/, or call (760) 728-1178.

v. Ramona Airport – Explosive Ordinance

The area which includes and surrounds the Ramona Airport has been used by the military in prior decades for the detonation of ordinance. Live unexploded ordinance has been found in the area in the past and more may exist. Buyer is encouraged and instructed to use caution when traveling through this area.

vi. Outdoor Lighting

Various areas of San Diego County, including Palomar Mountain, Pauma Valley, Valley Center, Warner Springs, Descanso, Pine Valley, Boulevard, and several other communities are subject to outdoor lighting ordinances. The Borrego Springs and Julian are International Dark Sky Communities with significant restrictions on outdoor lighting. Buyer is advised to investigate outdoor lighting ordinances.

d. EASTERN SAN DIEGO COUNTY

i. City of El Cajon/Fletcher Hills - Ancient Slide Area

The areas within or near the Fletcher Hills neighborhood of El Cajon have been designated as an ancient slide area and may suffer from soils issues, which may limit development or modifications and affect the value of properties. Inspection by a licensed professional is recommended to determine the structural integrity of any given property in or near the area. For more information, please review your Statewide Buyer and Seller Advisory provided by your real estate agent and/or broker.

e. COASTAL SAN DIEGO COUNTY

i. California Coastal Commission

Construction and development of property at or near the coast, protected waterways, and coastal habitats of San Diego County may be subject to the jurisdiction and regulation of the California Coastal Commission. The development of any beachfront property may also be impacted by the determination of mean high tides lines in relation to the boundary lines. In addition, various jurisdictions in San Diego County are working with the California Coastal Commission to address sea level rise and climate change, which may have an impact on the property. For further information, please contact the California Coastal Commission at www.coastal.ca.gov.

ii. Views of Coastal Properties

Coastal properties within San Diego County are subject to restrictions regarding development and/or height of construction that may impact other property's views. If no such restrictions exist, it is possible that the prospective property is subject to view restrictions by development in the future. If views or development of a property are concerns for Buyer, Buyer is encouraged to contact the appropriate city or county authority to determine the existence and extent of any such publicly enacted restrictions.

iii. Coronado Island – Military Operations and Land Use Restrictions

Coronado contains several military bases which may contain conventional and nuclear weapons. Flight operations and carrier activity associated with these bases may result in aircraft noise and increased traffic throughout the community, including congestion on the bridge to Interstate 5 North and Southbound. For more information on Naval Base Coronado, please visit: www.cnic.navy.mil/regions/cnrsw/installations/navbase_coronado.html.

The City of Coronado has implemented restrictions on development and zoning and has imposed a historic demolition ordinance that significantly limits the ability to modify or demolish structures over 75 years old. Buyer is urged to consult with the City and necessary professionals if development, demolition, or modification is contemplated. Parts of Coronado also fall within the California Coastal Zone, which may require additional permits or approvals for certain property improvements. Buyer should verify whether Coastal Commission regulations apply. Coronado is also a significant a tourist destination, particularly during summer and holidays. Limited street parking, crowded beaches, and high foot and vehicle traffic may affect daily living.

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SIGNATURE OF RECEIPT

The disclosures above, while believed to be true and correct, are not intended to be a complete list of all possible conditions or issues in San Diego County, and all stated conditions may be subject to change. New or additional conditions may arise that could affect a property and its value.

BUYER SHOULD INVESTIGATE AND OBTAIN INFORMATION ON ALL ISSUES OF CONCERN AND SHOULD NOT SOLELY RELY ON THE INFORMATION RECEIVED FROM THESE DISCLOSURES, OR THEIR AGENTS, BROKERS, OR THE SELLER. YOUR BROKER AND AGENT HAVE PROVIDED THESE DISCLOSURES FOR INFORMATIONAL PURPOSES ONLY AND HAS NOT INVESTIGATED THESE ISSUES.

I, THE UNDERSIGNED BUYER, HEREBY DECLARE THAT I HAVE READ THESE DISCLOSURES AND THE ACCOMPANY DISCLAIMER, AND I ACKNOWLEDGE THAT I HAVE RECEIVED AND REVIEWED THESE DISCLOSURES, AND HAVE BEEN ADVISED TO CONDUCT ALL NECESSARY INSPECTIONS AND INVESTIGATIONS.

BUYER:

Date: _____ _____
Signature

_____
Printed Name

Date: _____ _____
Signature

_____
Printed Name

SELLER:

Date: 09/14/2026 Brad Bonney
Signature
authorized signer on behalf of Opendoor Property Trust I

_____
Printed Name
Opendoor Property Trust I

Date: _____ _____
Signature

_____
Printed Name

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