INVOICE

Order Date: 10/02/2023 Order ID: 0081979357-93838 Escrow Number: TBD APN: 620362018

PREMIUM REPORT

PROPERTY INFORMATION:

38738 Desert Mirage Dr Palm Desert, Ca 92260 BILL TO:

Equity Union 750 N Palm Canyon Dr Palm Springs, Ca 92262 Phone: 760.408.2965 Officer: Heidi Empey

DESCRIPTION

\$79 - Residential Premium - NHD, ENV & Tax

AMOUNT DUE \$79.00

Ģ

Please ensure billing party has a copy of this invoice prior to closing. Invoices that are unpaid after closing invalidate the report, therefore invalidating your coverage under our errors and omissions insurance.

Cut Here

Please return lower portion with payment

CHECK PAYABLE TO:

Premier NHD 221 N. 3rd Street # 596, Burbank, CA 91502 Equity Union

BILL TO:

750 N Palm Canyon Dr Palm Springs, Ca 92262 Phone: 760.408.2965 Officer: Heidi Empey ORDER ID: 0081979357-93838 ESCROW NUMBER: TBD ORDER DATE: 10/02/2023 AMOUNT DUE: \$79.00





AMOUNT

\$79.00



Premier NHD | 866-NHD-8110 221 N. 3rd Street # 596 Burbank, CA 91502

NATURAL HAZARD DISCLOSURES

(STATE, LOCAL & ADDITIONAL DISCLOSURES)

This statement applies to the following property: 38738 Desert Mirage Dr, Palm Desert, Ca 92260

REPORT PREPARED: 10/02/2023

SUBJECT PROPERTY: 38738 Desert Mirage Dr, Palm Desert, Ca 92260

SUBJECT PARCEL:

620362018

PROPERTY TYPE:

RSFR

ESCROW NUMBER: TBD

This is an official report and should be reviewed prior to the property purchase. Report void without full payment.

Assessor's Parcel Number: 620362018
Property Address: 38738 Desert Mirage Dr, Palm Desert, Ca 92260
Order Number: 0081979357-93838
Report Date: 10/02/2023
Page: 1



This statement applies to the following property: 38738 Desert Mirage Dr, Palm Desert, Ca 92260

The transferor and his or her agent(s) or a third-party consultant disclose the following information with the knowledge that even though this is not a warranty, prospective transferees may rely on this information in deciding whether and on what terms to purchase the subject property. Transferor hereby authorizes any agent(s) representing any principal(s) in this action to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the property.

The following are representations made by the transferor and his or her agent(s) based on their knowledge and maps drawn by the state and federal governments. This information is a disclosure and is not intended to be part of any contract between the transferee and transferor.

THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZARDOUS AREA(S):

A SPECIAL FLOOD HAZARD AREA (Any type Zone "A" or "V") designated by the Federal Emergency Management Agency.

Yes 🔽 NO 🦳 Information is not available from local jurisdiction

AN AREA OF POTENTIAL FLOODING shown on a dam failure inundation map pursuant to Section 8589.5 of the Government Code.

Yes 🗹 NO 🗌 Information is not available from local jurisdiction

A VERY HIGH FIRE HAZARD SEVERITY ZONE pursuant to Section 51178 or 51179 of the Government Code. The owner of this property is subject to the maintenance requirements of Section 51182 of the Government Code.

Yes 🗸 NO 🗌 Map is not yet released by state

A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS pursuant to Section 4125 of the Public Resources Code. The owner of this property is subject to the maintenance requirements of Section 4291 of the Public Resources Code. Additionally, it is not the state's responsibility to provide fire protection services to any building or structure located within the wildlands unless the Department of Forestry and Fire Protection has entered into a cooperative agreement with a Local agency for those purposes pursuant to Section 4142 of the Public Resources Code.

Yes 🗹 NO 🦳 Map is not yet released by state

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

Yes 🗹 NO 🗌 Map is not yet released by state

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

Г	Yes (Landslide Zone)	NO	Map is not vet released by sta	ate

Yes (Liquefaction Zone) 🔲 NO 🗹 Map is not yet released by state

THESE HAZARDS MAY LIMIT YOUR ABILITY TO DEVELOP THE REAL PROPERTY TO OBTAIN INSURANCE, OR TO RECEIVE ASSISTANCE AFTER A DISASTER. THE MAPS ON WHICH THESE DISCLOSURES ARE BASED ESTIMATE WHERE NATURAL HAZARDS EXIST. THEY ARE NOT DEFINITIVE INDICATORS OF WHETHER OR NOT A PROPERTY WILL BE AFFECTED BY A NATURAL DISASTER. TRANSFEREE(S) AND TRANSFEROR(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE REGARDING THOSE HAZARDS AND OTHER HAZARDS THAT MAY AFFECT THE PROPERTY.

Signature of Transferor(s):	Date:	
Signature of Transferor(s):	Date:	
Agent(s):	Date:	
Agent(s):	Date:	

CHECK ONLY ONE OF THE FOLLOWING:

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

Transferor(s) and their agent(s) acknowledge that they have exercised good faith in the selection of a third-party report provider as required in Civil Code Section 1103.7, and that the representations made in this Natural Hazard Disclosure Statement are based upon information provided by the independent third-party disclosure provider as a substituted disclosure pursuant to Civil Code Section 1103.4. Neither transferor(s) nor their agent(s) (1) has independently verified the information contained in this statement and report or (2) is personally aware of any errors or inaccuracies in the information contained on the statement. This statement was prepared by the provider below:

Third-Party Disclosure Provider(s): Premier NHD

Date: 10/02/2023

Transferee represents that he or she has read and understands this document. Pursuant to Civil Code Section 1103.8, the representations made in this Natural Hazard Disclosure Statement do not constitute all of the transferor's or agent's disclosure obligations in this transaction.

TRANSFEREE(S) REPRESENTS ABOVE HE/SHE HAS RECEIVED, READ AND UNDERSTANDS THE COMPLETE NHD DISCLOSURE REPORT DELIVERED WITH THIS SUMMARY: (A) Additional Property-Specific Statutory Disclosures; (B) Additional County and City Regulatory Determinations as applicable; (C) General Supplements, Notices and Advisories; (D) Additional Reports - The following are enclosed if ordered: (D1) ENVIRONMENTAL REPORT; (D2) PROPERTY TAX REPORT; (E) Links to download Governmental Guides, eBooklets and other information in the Report which may require additional signature(s) are accessible [also, referenced under "Resource Links" (Pg. 3)]:

Residential Environmental Hazard Guide	Homeowners' Guide to Earthquake Safety	Commercial Property Guide to Earthquake Safety
Residential Environmental Hazard Guide (En Español)	Home Energy Rating Booklet	Mold Remediation in Schools and Commercial
Full Homeowners' Guide	Protect Your Family From Lead In Your Home Guide	Buildings
		Wood Burning Handbook

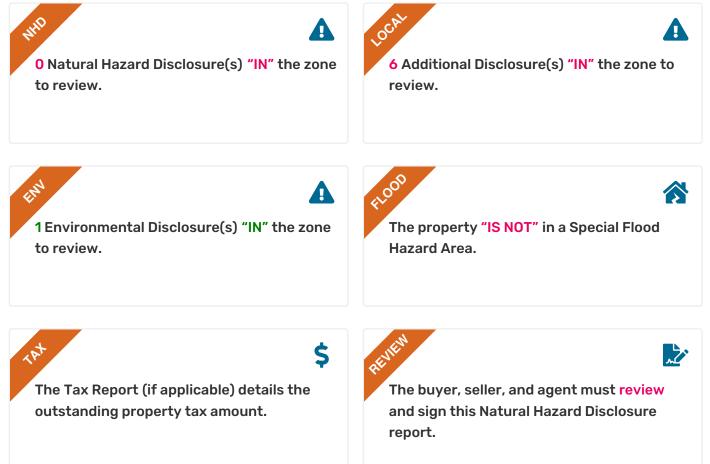
Signature of Transferee(s): _____ Date: _____ Date: _____ Signature of Transferee(s): _____ Date: _____ Date: _____

Copyright © 2023, Premier NHD. All rights reserved



REPORT SUMMARY

Section 1103 of the California Civil Code, the Natural Hazards Disclosure Act, requires real estate sellers and brokers to disclose to a prospective buyer that the property is located within one or more state or locally mapped hazard zones.







CA STATE LEVEL DETERMINATIONS, ADVISORIES AND TABLE OF CONTENTS

Item	In	Out	Not Mapped N/A	Page
FEMA Designated Special Flood Hazard Area Section 8589.3 of the California Government Code Area/Notes:				<u>6</u>
An Area of Potential Flooding Due to Dam Inundation Section 8589.4 of the California Government Code Area/Notes:				<u>6</u>
Very High Fire Hazard Severity Zone (AB-38) Section 51178 of the California Government Code Area/Notes:				<u>6</u>
Wildland Fire Area (State Fire Responsibility Area) Section 4136 of the California Public Resource Code Area/Notes:				Z
Earthquake Fault Zone Section 2121 of the California Public Resource Code Area/Notes:				Z
Seismic Hazard Zone - Landslide Section 2694 of the California Public Resource Code Area/Notes: State of California -				Z
Seismic Hazard Zone - Liquefaction Section 2694 of the California Public Resource Code Area/Notes: Dept of Conservation -				Z

Resource Links:

- Residential Environmental Hazard Guide
- <u>Residential Environmental Hazard Guide (En Español)</u>
- Protect Your Family From Lead In Your Home Guide
- Homeowners' Guide to Earthquake Safety
- Home Energy Rating Booklet
- Full Homeowners' Guide
- <u>Commercial Property Guide to Earthquake Safety</u>
- Mold Remediation in Schools and Commercial Buildings
- <u>Wood Burning Handbook</u>

This is a notification to you prior to your purchase of this property. Please also be aware that only fully-paid Reports are considered valid.





LOCAL DETERMINATIONS & ADDITIONAL STATUTORY DISCLOSURES

Item	In	Out	Not Mapped N/A	Page
Local Flood Hazard Zone Area/Notes:				<u>8</u>
Local Fire Hazard Zone Area/Notes:		$\mathbf{\nabla}$		<u>8</u>
Local Earthquake Fault Zone Area/Notes:				<u>8</u>
Local Landslide Seismic Hazard Zone Area/Notes:				<u>9</u>
Local Liquefaction Seismic Hazard Zone Area/Notes: County Of Riverside - Moderate				<u>9</u>
Airport Influence Area Area/Notes:				<u>10</u>
Airport Proximity - FAA Approved Landing Sites Area/Notes:				<u>10</u>
Former Military Ordinance Site Area/Notes:				<u>10</u>
California Right To Farm Area/Notes: State Farmland Mapping Program - Farmland of Local Importance				11
California Tsunami Inundation Area Area/Notes:				<u>11</u>
Mining Operations Area/Notes:				<u>11</u>
Duct Sealing & Testing Area/Notes: California Energy Commission - 15				<u>12</u>
Industrial or Commercial Land Use Area/Notes: -				<u>12</u>
Radon Hazard Zone Area/Notes: CAL Public Health - within Zip 92260 2 Positive out of 36 Total Tests (entire county is designed as a Zone 2 - radon 2-4 pCi/L)				<u>12</u>
Natural Occurring Asbestos Area/Notes:				<u>12</u>
Methane Gas Area Area/Notes:				<u>13</u>
Soil Subsidence Hazard - Expansive Soils Area/Notes:				<u>13</u>

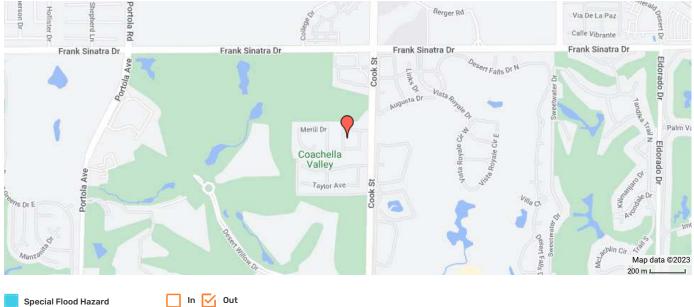
SUPPLEMENTS AND NOTICES/ADVISORIES

Megan's Law; Gas & Hazardous Liquid Transmission Pipelines; Endangered Species Act; Critical Habitats Notice	Notice	<u>14</u>
Land Conservation Act; Solar Energy; Federal Flood Insurance; Water Conserving Plumbing	Notice	<u>15</u>
Fire Hazard Severity Zone Notice (AB 38); Carbon Monoxide; Oil and Gas Well; Mold Advisory	Notice	<u>15,16</u>
Methamphetamine Contamination; Wood Burning Heater; Home Energy Efficiency; CA Energy Efficiency	Notice	<u>16,17</u>
Bay Area Air Quality Managment District (BAAQMD); San Francisco Bay Conservation and Development Commission (BCDC)	Notice	<u>17</u>
Defensible Space and Home Hardening Advisory (AB-38)	Notice	<u>18</u>





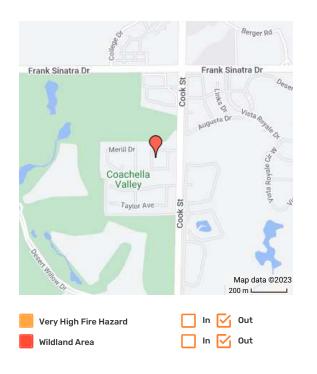
FLOOD ZONE MAP



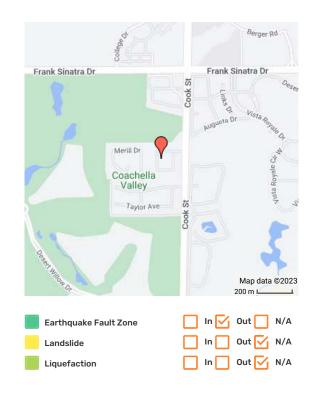
 Special Flood Hazard
 In ✓ Out

 Flooding Due to Dam Inundation
 In ✓ Out

FIRE ZONE MAP



EARTHQUAKE ZONE MAP







STATE LEVEL DETERMINATIONS

FEMA DESIGNATED SPECIAL FLOOD HAZARD AREA

The Federal Emergency Management Agency (FEMA) is the federal agency with the responsibility to produce Flood Insurance Rate Maps. These maps are used to determine whether structures, such as private residences, are contained within designated Special Flood Hazard Areas. This information is then used to determine the need for obtaining flood insurance through the National Flood Insurance Program and also for floodplain management purposes. The fact that a structure lies with a designated Special Flood Hazard Area does not guarantee that it will necessarily flood; nor does the fact that a structure lies outside a flood zone guarantee that it will not flood.

Condominium Note:

California disclosure requirements state that if any part of the property owned by the Condominium Association or owned in undivided interests by the unit owners is in an area subject to flood inundation, then all dwelling units are shown in said area. However, if the particular dwelling unit is not in the flood inundation area, the owner may not be required to purchase flood insurance pursuant to federal requirements. In some circumstances the Owners Association may have obtained flood insurance covering the Common Areas and, where applicable, the affected dwelling units. A precise determination may be made by obtaining a flood certificate usually required by a lender

The properties located within FEMA's zone designations that are categorized as Zone A (Inland) or Zone V (Coastal), requires flood insurance by lenders.

Local:

Some local agencies have adopted their own local flood zones outside of the FEMA flood zones and may require additional standards for new and additional construction. In some cases it may be areas that could be inundated by levee failure.

For more information about flood zones, please contact your local FEMA Regional Office or access this department's website at: https://www.fema.gov

This property IS NOT in a Special Flood Hazard Area according to the flood insurance rate maps provided by FEMA.

AN AREA OF POTENTIAL FLOODING DUE TO DAM INUNDATION

The California Office of Emergency Services (CalOES) Dam Safety Program requires dam owners to submit copies of inundation maps developed by civil engineers to help determine if a property is within an inundation area. Maps have been prepared based on a review of inundation maps showing areas of potential flooding due to catastrophic failure of any dam. Potential causes of catastrophic breakdowns include but are not limited to heavy rainfall, watershed runoff, foundation failure, earthquakes. Additionally, Inundation maps for the dams owned by the Federal government and other California dams may not be available.

Maps approved pursuant to section 8589.5 of the California Government Code are kept on file with the Department of Water Resources and the Office of Emergency Services.

For more information, please contact the California Office of Emergency Services in Sacramento or access this department's website at: https://www.caloes.ca.gov/

This property IS NOT in an Area of Potential Flooding due to Dam Inundation.

VERY HIGH FIRE HAZARD SEVERITY ZONE (AB-38)

Section 51178 of the California Government Code requires that the Department of Forestry and Fire Protection (CDF) identify and prepare maps showing certain Very High Fire Hazard Severity Zones. Placement within these zones is based on criteria that include areas that are windy, dry, difficult to access, contain abundant fuel, and other relevant considerations. Buyers are subject to fines for failing to provide for proper brush clearance and other preventive measures in these zones.

For more information, please contact the California Department of Forestry and Fire Protection in Sacramento or access this department's website at: http://www.fire.ca.gov/

This property IS NOT in a Very High Fire Hazard Severity Zone.





WILDLAND FIRE AREA (STATE FIRE RESPONSIBILITY AREA)

State Responsibility Area (SRA) is a legal term defining the area where the State has financial responsibility for wildland fire protection. Incorporated cities and federal ownership are not included . The prevention and suppression of fires in all areas that are not state responsibility areas are primarily the responsibility of local or federal agencies. All SRA areas fall within one or more Fire Hazard Severity Zones. Recently adopted building codes reduce the risk of burning embers pushed by wind-blown wildfires from igniting buildings. Older homes should be reviewed for compliance with these newer standards.

These State Responsibility Areas are subject to the requirements of Section 4291 of the California Public Resources Code governing any person who owns, controls, operates leases, or maintains a building or structure in a designated area in reference to fire breaks, trimming of trees, installation of chimney screens and regulation of these matters by the State Forester. Please contact the county fire department for fire defense and maintenance requirements.

Fire Prevention Fee:

Fire Prevention Fee Suspended as of July 1, 2017. On July 25, 2017, Governor Edmund G. Brown signed Assembly Bill 398, which suspended the State Responsibility Area (SRA) Fire Prevention Fee until 2031.

For more information, please contact the California Department of Forestry and Fire Protection in Sacramento or access this department's website at: http://www.fire.ca.gov/

This property **IS NOT** in a Wildland Fire Area.

EARTHQUAKE FAULT ZONE

After the 1971 San Fernando earthquake, the State of California passed the Alquist-Priolo Earthquake Mapping Act. The intent of the Alquist-Priolo Act is to prohibit the location of developments and structures for human occupancy across the trace of active faults, thus avoiding the hazard of surface fault rupture. The Alquist-Priolo zones lie on either side of known faults and are generally a quarter mile or less in width. A fault is categorized as active if it has moved within the last 12,000 or so years.

More information may be obtained from the California Department of Conservation, Division of Mines and Geology pursuant to California Public Resources Code Statute 2622 by visiting:

http://www.conservation.ca.gov

This property IS NOT in an Earthquake Fault Zone.

LANDSLIDE & LIQUEFACTION SEISMIC HAZARD ZONES

The California State Geologist and the Division Of Mines and Geology of the Department of Conservation Geology pursuant to California Public Resources Code Statute 2696, have the responsibility for mapping seismic hazard zones and must identify areas of potential danger to the public from ground failure caused by earthquake ground shaking, particularly landslide and liquefaction. Liquefaction is a seismic hazard that occurs when underground sediments (earth) take on a fluid consistency under conditions of prolonged shaking.

The fact that a property lies outside a zone of required investigation does not necessarily mean that the site is free from seismic or other geologic hazards, regardless of the information shown on the Seismic Hazard Zone Maps. A site-specific investigation for an undeveloped property is required by a licensed engineer. Finally, neither the information on the Seismic Hazard Zone Maps, nor in any technical reports that describe how the maps were prepared nor what data was used is sufficient to serve as a substitute for site-investigation called for in the Act.

More information may be obtained from the California State Department of Conservation, Division of Mines and Geology at: http://www.conservation.ca.gov

This property IS NOT MAPPED in a Landslide Seismic Hazard Zone.

This property IS NOT MAPPED in a Liquefaction Seismic Hazard Zone.





COUNTY & CITY LEVEL ZONES

LOCAL COUNTY AND CITY GENERAL SUMMARY

Buyers should be provided with local level natural hazards as well as the statutory disclosures. Cities and Counties that have developed their own safety element or other hazard maps may use different sources than the State . Therefore, a site considered as a hazard by one source may not be included as a hazard by another source. Maps prepared by the local jurisdiction may be used for making decisions regarding new or additional construction. If the subject property is in a locally mapped hazard zone or if information of concern exists in another source the property may require a geologic or other study prior to any new or additional construction. Local Agencies may require specific or more detailed studies in these areas in regards to new additions or construction. Additional natural hazards may exist which are not in this report. To investigate other sources of natural hazard information that may be available and used at the local level, contact the local agency planning, engineering or building departments.

Good-faith efforts are utilized to research, identify and collect local disclosures identified in County and City General Plan Safety Elements. If the data is in a usable format, is made available by the municipality and is of quality and scale, the hazard layers are collected and integrated into the report. In some circumstances, the hazard data is not available or accessible in a usable format and the determination cannot be included in its local disclosure.

LOCAL FLOOD ZONE

Local flood zones include information separate from the areas mapped on Flood Insurance Rate Maps by the Federal Emergency Management Agency or Dam Inundation zones as reported by the California State Office of Emergency Services. Some local agencies have adopted their own local flood zones outside of the FEMA flood zones and may require additional standard for new and additional construction. In some cases it may be areas that could be inundated by levee failure.

LOCAL DAMS WITHIN THE COUNTY: These dams provide the county and primarily the State with drinking water, irrigation water, stock water, recreation and power production. Any dam poses a potential risk of failure, which would likely be caused from seismically-induced ground shaking or other seismic events which threatens the area below the dam with inundation. Below is a list of all the dams present in the subject property's county, whether or not their inundation maps contain the property.

DAM Name(s) within the county:

Alessandro, Bear Valley, Box Springs, Diamond Valley East, Diamond Valley Forbay, Foster, Harrison Street, Hemet, Henry J Mills, Henry J Mills # 2, Lake Hemet, Lee Lake, Little Lake, Little Lake, Live Oak, Mabey Canyon, Marystreet, Mathews, Mockingbird, Mockingbird Can, Parker, Perris, Pigeon Pass, Prado, Prenda, Railroad Canyon, Robert Skinner, San Antonio, Seven Oaks, Skinner Clearwell, Sycamore, Tahchevah, Thompson Creek, Vail, Wide Canyon, Woodcrest

This property **IS NOT** in an area of Local Flood Hazard Zone.

LOCAL FIRE ZONE

Local agencies may provide their own fire hazard maps, indicating areas which require strict fire constraints. Included are zones from counties and cities that have prepared their own fire safety element maps. New or additional construction may require fire-resistant materials and property owners have strict brush clearance or fire break requirements. The Department of Forestry and Fire Protection(CDF) recommends verifying with the local fire department for any changes made at the county/city level.

This property **IS NOT** in an area of Local Fire Hazard Zone.

LOCAL EARTHQUAKE FAULT ZONE:

Local jurisdictions have created their own active earthquake fault zones maps that is different from the State of California maps. Prior to new construction, certain counties and cities may require geologic analysis if a site is in or near an earthquake fault zone. Particular types of construction may be restricted. An attempt has been made to include all official and publicly available maps indicating earthquake faults identified by these jurisdictions.

According to the California Department of Conservation, "The Alquist-Priolo Earthquake Fault Zoning Act's main purpose is to prevent the construction of buildings used for human occupancy on the surface trace of active faults. The Act only addresses the hazard of surface fault rupture and is not directed toward other earthquake hazards. The Seismic Hazards Mapping Act, passed in 1990, addresses non-surface fault rupture earthquake hazards, including liquefaction and seismically induced landslides."

If a property is located in an Earthquake Fault Zone, "It means that an active fault is present near or within the land parcel and may pose a risk of surface fault rupture to existing or future structures. If the property is not developed, a fault study may be required before the parcel can be subdivided or structures permitted. If a property is developed, you will not need a geologic study unless you plan to extensively add onto or remodel an existing structure. Check with your local permitting agency for specific requirements and exemptions." More information is available at: https://www.conservation.ca.gov/cgs/alquist-priolo

https://www.conservation.ca.gov/cgs/aiquist-priolo

Effective June 1, 1998, the Natural Hazards Disclosure Act, requires that sellers of real property and their agents provide prospective buyers with a "Natural Hazard Disclosure Statement" when the property being sold lies within one or more state - mapped hazard areas. If a property is located in an Official Earthquake Fault Zone issued by the State Geologist (California Geological Survey), the seller or the seller's agent must disclose this fact to a potential buyer. The law specifies two ways in which this disclosure can be made. One is to use the new Natural Hazards Disclosure Statement as provided in Section 1102.6c of the California Civil Code.

Riverside - ALQUIST - PRIOLO FAULT ZONES

The Alquist-Priolo Fault Zones in Riverside County are along the following faults:

Banning - South Branch San Andreas Fault, Banning Fault, Buck Ridge Fault, Burnt Mountain Fault, Casa Loma Fault, Chino Fault, Clark Fault, Coachella Valley Fault, Coyote Creek Fault, Elsinore Fault, Hidden Springs Fault, Hot Springs Fault, Mecca Hills Fault, North Branch San Andreas Fault, NW Painted Canyon Fault, Platform Fault, San Andreas Fault, San Gorgonio Pass Fault, San Jacinto Fault

This property IS NOT in an area of Local Earthquake Fault Zone.





LOCAL LANDSLIDE & LIQUEFACTION SEISMIC HAZARD ZONES:

The data for local landslide and liquefaction seismic hazard zone is driven from the California Division of Mines and Geology ("DMG") and the United States Geological Survey. These maps indicate many hazards that may be seismically related, including but not limited to avalanches, coastal cliff instability, debris flows, landslides, mudslides and volcanic hazards.Prior to new construction, certain counties and cities may require geologic analysis if a site is in or near a seismic hazard zone. Particular types of construction may be restricted. An attempt has been made to include all official and publicly available maps indicating geologic hazards identified.

This property **IS NOT** in an area of Local Landslide Seismic Hazard Zone.

This property **IS** in an area of Local Liquefaction Seismic Hazard Zone.





Additional Statutory Disclosures

AIRPORT INFLUENCE AREA DISCLOSURE STATEMENT

Pursuant to California Civil Code Section 1103.4, if the property is within the Airport Influence Area designated by the "California Airports List" maintained by the California Department of Transportation, the Buyer must be told and the following statement is to be given:

"This property is presently located in the vicinity of an airport, within what is known as an airport influence area. For that reason, the property may be subject to some of the annoyances or inconveniences associated with proximity to airport operations (for example: noise, vibration, or odors). Individual sensitivities to those annoyances can vary from person to person. You may wish to consider what airport annoyances, if any, are associated with the property before you complete your purchase and determine whether they are acceptable to you."

In addition to the airports whose Airport Influence Area contains the property, additional airports in the county may be of interest to the Buyer. Below is a list of all the airports whose Influence Areas overlap with the subject property's county:

Aiport Name(s):

Banning Municipal Airport, Bermuda Dunes Airport, Blythe Airport, Chiriaco Summit Airport, Corona Municipal Airport, Desert Center Airport, Flabob Airport, French Valley, Hemet-Ryan Airport, March Air Force Base, Ontario International Airport, Palm Springs Regional Airport, Perris Valley Airport, Riverside Municipal Airport, Skylark Airport, Thermal Airport

This property **IS NOT** in an Airport Influence Area.

AIRPORT PROXIMITY - FAA APPROVED LANDING SITES

The Federal Aviation Administration (FAA) has performed internal research to determine if the property is located within two miles of a public/private FAA approved landing facility (i.e., an airport). The majority of larger airports may provide Contour Maps indicating areas that are within proximity to airports/flight paths where noise levels may exceed 65 decibels (the sound level of a busy street).

Per California Civil Code 1102.17, "The seller of residential real property subject to this article who has actual knowledge that the property is adjacent to, or zoned to allow, an industrial use described in Section 731a of the Code of Civil Procedure, or affected by a nuisance created by such a use, shall give written notice of that knowledge as soon as practicable before transfer of title".

The industrial use as described in Section 731a relates to airport uses; airport landing facilities include government owned, public, and privately owned commercial and civil facilities. Private landing facilities (restricted public access), unassigned facilities by the FAA, and glider ports are not included.

Note: "Besides FAA research, additional data were obtained through an independent web search by FAA and through a survey conducted by the Airports Council International-North America (ACI-NA) in 2006".

For more information please contact the Federal Aviation Administration or visit their website: <u>http://www.faa.gov/airports/environmental/airport_noise/</u>

This property **IS NOT** in an Airport Proximity Area.

FORMER MILITARY ORDNANCE SITE

Sellers of residential property are required to disclose actual knowledge they may have of any Formerly Used Defense Site (FUDS) within one mile of their property containing military ordnance. FUD sites can include sites with common industrial waste (such as fuels), ordnance or other warfare material, unsafe structures to be demolished, or debris for removal. California Civil Code 1102 requires disclosure of those sites containing unexploded ordnance. Only those FUD sites that the U.S. Army Corps of Engineers (USACE) has identified to contain Military Ordnance or have mitigation projects planned for them are disclosed in this report. Active military sites are NOT included on the FUD site list. Sites closed prior to 1989 are part of the database, while sites closed after 1989 are not included on the FUD site list.

For more information about FUDS please visit their website at: <u>https://www.usace.army.mil/missions/environmental/formerly-used-defense-sites/</u>

This property **IS NOT** within a Former Military Ordnance Area.



CALIFORNIA RIGHT TO FARM DISCLOSURE STATEMENT

California Civil Code Section 1103.4 requires that as a part of real estate transactions, land sellers and agents must disclose whether the property is located within one mile of farmland as designated on the most recent Important Farmland Map due to the state's right-to-farm laws. Any of the five agricultural categories on the map qualifies for disclosure purposes, including : Prime Farmland (P), Farmland of Statewide Importance (S), Unique Farmland (U), Farmland of Local Importance (L), and Grazing Land (G). Purchasers are often unaware that the State of California has laws to protect a farmer's right to perform customary farming activities, some of which are dirty, noisy, or lead to unpleasant odors. In addition, there are some aspects of farming operations (water runoff, irrigation ditches) can extend beyond a farm's boundaries. If the property is shown to be within one mile of a property classified as " farmland " then the Buyer must be told and the following statement is to be given:

NOTICE OF RIGHT TO FARM: "This property IS located within one mile of a farm or ranch land designated on the current county-level GIS "Important Farmland Map," issued by the California Department of Conservation, Division of Land Resource Protection. Accordingly, the property may be subject to inconvenien or discomforts resulting from agricultural operations that are a normal and necessary aspect of living in a community with a strong rural character and a healthy agricultural sector. Customary agricultural practices in farm operations may include, but are not limited to, noise, odors, dust, light, insects, the operation of pumps and machinery, the storage and disposal of manure, bee pollination, and the ground or aerial application of fertilizers, pesticides, and herbicides. These agricultural practices may occur at any time during the 24-hour day. Individual sensitivities to those practices can vary from person to person. You may wish to consider the impacts of such agricultural practices before you complete your purchase. Please be advised that you may be barred from obtaining legal remedies against agricultural practices conducted in a manner consistent with proper and accepted customs and standards pursuant to Section 3482.5 of the Civil Code or any pertinent local ordinance.""This property IS located within one mile of a farm or ranch land designated on the current countylevel GIS "Important Farmland Map," issued by the California Department of Conservation, Division of Land Resource Protection. Accordingly, the property may be subject to inconveniences or discomforts resulting from agricultural operations that are a normal and necessary aspect of living in a community with a strong rural character and a healthy agricultural sector. Customary agricultural practices in farm operations may include, but are not limited to, noise, odors, dust, light, insects, the operation of pumps and machinery, the storage and disposal of manure, bee pollination, and the ground or aerial application of fertilizers. pesticides, and herbicides. These agricultural practices may occur at any time during the 24-hour day. Individual sensitivities to those practices can vary from person to person. You may wish to consider the impacts of such agricultural practices before you complete your purchase. Please be advised that you may be barred from obtaining legal remedies against agricultural practices conducted in a manner consistent with proper and accepted customs and standards pursuant to Section 3482.5 of the Civil Code or any pertinent local ordinance."

Some counties are not included because they have not been mapped for farmland parcels under the State program. If the Seller has actual knowledge of an agricultural operation in the vicinity of the subject property that is not disclosed in this report, and that is material to the transaction, the Seller should disclose this actual knowledge in writing to the Buyer.

For more information please visit the California Department of Conservation, Division of Land Resource Protection website at: https://www.conservation.ca.gov/dlrp/fmmp/Pages/RE_Disclosure.aspx

This property IS in a California Farmland Area.

CALIFORNIA TSUNAMI INUNDATION AREA DISCLOSURE

A tsunami is a sea wave generated by a submarine earthquake or by an offshore landslide or volcanic action. The California Pacific coastline has the potential for inundation and is exposed to the potential hazard of tsunamis. However, as tsunami events are historically rare(recur on the average of once every 500 years), no information is provided in this report about the probability of a tsunami affecting a given area within a given time period.

The maps used for this report were coordinated by The California Emergency Management Agency for the purpose of assisting local governments and resources with assessing local tsunami risk and developing appropriate local emergency response and evacuation plans. These maps specifically contain the following disclaimer:

Map Disclaimer: The maps used do not meet disclosure requirements for real estate transactions nor for any other regulatory purpose. The California Emergency Management Agency (CalEMA), the University of Southern California (USC), and the California Geological Survey (CGS) make no representation or warranties regarding the accuracy of this inundation map nor the data from which the map was derived. Neither the State of California nor USC shall be liable under any circumstances for any direct, indirect, special, incidental, or consequential damages with respect to any claim by any user or any third party on account of or arising from the use of this map.

For more information please visit the California Department of Conservation, Division of Land Resource Protection at the following website: https://www.conservation.ca.gov/cgs/tsunami/maps

This property IS NOT in a California Tsunami Inundation Area.

MINING OPERATIONS

Per California Civil Code Section 1103.4, if the property is located within one mile of mining operations, then the Buyer must be told and the following statement is to be given:

NOTICE: "This property is located within one mile of a mine operation for which the mine owner or operator has reported mine location data to the Department of Conservation pursuant to Section 2207 of the Public Resources Code. Accordingly, the property may be subject to inconveniences resulting from mining operations. You may wish to consider the impacts of these practices before you complete your transaction."

Location data is provided by the mine owners to the Office of Mine Reclamation (Note: not all mine operators have provided map coordinate data to the Office of Mine Reclamation).

For more information please visit the Department of Conversation, Office of Mine Reclamation at the following website: https://www.conservation.ca.gov/dmr

This property IS NOT in a Mining Operations Area.





DUCT SEALING & TESTING REQUIREMENT DISCLOSURE

The Energy Policy and Conservation Act directs the Department of Energy (DOE) to establish minimum efficiency standards for various products, including central air conditioners and heat pumps. Since 1992, the manufacturers have been required to abide by DOE requirements for central air conditioners and heat pumps, occasionally changing the minimum seasonal energy efficiency ratio (SEER). After January 1, 2015, equipment installed in California must meet a minimum SEER rating of 14. The law does not require a seller to replace non-compliant existing equipment upon transfer. For more information about the new standards please visit: https://www.energy.gov/energysaver/heat-and-cool

Beginning October 1, 2005, homeowners living in most of California who install or replace a central furnace or air conditioner must have their ductwork tested for leaks. Duct systems that leak 15 percent or more must be sealed to reduce the leaks. The current 2016 Building Energy Efficiency Standards include a number of HVACrelated installation measures that require HERS Rater verification. These include correct refrigerant charge, adequate cooling coil airflow, maximum air handler fan watt draw, and the installation of temperature measurement access holes and saturation temperature measurement sensors. In most parts of the state, homeowners need a permit to replace or install furnaces or air conditioners. Once a contractor installs the equipment, he or she must test the ducts and fix any leaks that are found.

Additional information, including the 2016 Building Energy Efficiency Standards, can be found by visiting the California Energy Commission(CEC) page related to this law at: https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards

This property **IS** in a Duct Sealing & Testing Zone.

INDUSTRIAL OR COMMERCIAL HAZARD DISCLOSURE STATEMENT

Per California Civil Code Section 1102.17, a Seller is required to disclose to a Buyer the Seller's actual knowledge that the property is adjacent to or zoned to allow any commercial or industrial use of the subject property. This disclosure identifies industrial use zones within one mile of the subject property with the assistance of public records. The Seller and Seller's Agent should disclose any personal knowledge of such existing commercial or industrial zone under a separate Seller's Disclosure as soon as practicable and prior to transfer of title.

This property IS in an Industrial or Commercial Hazard Zone.

RADON HAZARD DISCLOSURE STATEMENT

Radon gas is a naturally occurring radioactive gas that is invisible and odorless. It forms from the radioactive decay of small amounts of uranium and thorium naturally present in rocks and soils so some radon exists in all rocks and soils. Areas with higher amounts of radon in the underlying rocks and soil are likely to have higher percentages of buildings with indoor radon levels in excess of U.S. Environmental Protection Agency(EPA) guidelines, and incidences of very high indoor radon levels are more likely in these areas.

Also, there are areas of high radon potential located in densely populated areas of the state . Some areas may have higher concentration of houses with elevated radon levels. The only way to accurately assess long-term exposure to radon in a specific dwelling is through long -term testing. The EPA recommends that all homes be tested for radon. More information is contained in the Combined Hazards Booklet, which Buyers should read thoroughly.

Based on the U.S. Environmental Protection map, the entire County in which the subject property is located is designated as a zone for Radon Gas Potential Definition: https://www.epa.gov/radon

Zone 1 - Highest Potential (greater than 4 pCi/L) (picocuries per liter)

Zone 2 - Moderate Potential (from 2 to 4 pCi/L) (picocuries per liter)

Zone 3 - Low Potential (less than 2 pCi/L) (picocuries per liter)

The National Radon Safety Board has a searchable database of professionals who do radon testing for properties: http://www.nrsb.org/

California's Indoor Radon Program, along with California Geological Survey, has developed searchable radon maps. For more information visit: http://maps.conservation.ca.gov/cgs/radon/

For more information, visit the California Department of Public Health at: <u>https://www.cdph.ca.gov/Programs/CEH/DRSEM/Pages/EMB/Radon/Radon.aspx</u>

This property **IS** in a Radon Hazard Zone.

NATURALLY OCCURRING ASBESTOS DISCLOSURE

Asbestos is the name given to a group of fibrous minerals that occur naturally in rock formations in the environment. Naturally Occurring Asbestos (NOA) is the term applied to the natural geologic occurrence of various types of asbestos, and has been found to be present in the majority of counties in California. It is commonly found in ultramafic rock formations, including serpentine, and in the soils where these rock types are located. Serpentine, the California State Rock, is found widely throughout the State. It is typically grayish-green to bluish-black in color and its surfaces often have a shiny or wax-like appearance and a slightly soapy feel.

Asbestos fibers can represent a risk to human health, as asbestos is a known carcinogen. Inhalation of asbestos may result in the development of lung cancer.

The transferee is recommended to visit the California Department of Conservation, Division of Mines and Geology website for further information and maps at: https://www.conservation.ca.gov/cgs/mineral-hazards

This property IS NOT in a Naturally Occuring Asbestos Zone.





METHANE GAS AREA

(For Los Angeles and Orange County Only) Methane Zones and Methane Buffer Zones have been designated based upon data provided by the California Department of Conservation, Division of Oil, Gas, and Geothermal Resources, and other state agencies. These zones designate areas where there are concerns about methane gas below the surface. Project permits within these zones may require methane mitigation measures. Site testing of subsurface geological formations may also be ordered. Please contact the local Building and Safety Department to determine previous measures and additional considerations regarding permits and/or reservations.

Los Angeles County/City methane gas policy includes special regulations for properties within 1,000 ft of methane producing disposal sites.

For more information please see the following:

Los Angeles County

https://dpw.lacounty.gov/epd/swims/onlineservices/methane-mitigation-standards.aspx

City of Los Angeles

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

City of Huntington Beach https://www.huntingtonbeachca.gov/government/departments/fire/fire_prevention_code_enforcement/PetroChemProgram.cfm

This property **IS NOT** in a Methane Gas Area.

SOIL SUBSIDENCE HAZARD - EXPANSIVE SOILS

Expansive soils are soils which have a potential to undergo significant changes in volume, either shrinking or swelling, with changes in moisture content. Periodic shrinking and swelling of expansive soils can cause extensive damage to buildings, other structures and roads. Such soils are generally classified into expansive soils classes with low, moderate, and high potential for volume changes.

In areas containing high and very expansive soils local building departments may impose additional requirements for new or additional construction. Very High, High, or Moderate indicates the dominant soil condition in the area but does not eliminate the need for onsite investigation as conditions can vary within any neighborhood. The source of Soil Subsidence Hazard is from the United States Department of Agriculture Natural Resources Conservation Service (adopted US Expansive soils map that created W. Olive in 1989 as a part of U.S. Geological Survey).

However, because of the apparent complexity of factors affecting soil expansiveness, the mapped areas are estimates only. Detailed investigations are required to fully evaluate the shrink-swell characteristics of soils at any given site. If a site is found to have expansive soils, this can be mitigated through proper foundation design. Older homes built before modern building codes have taken affect are more susceptible to foundation problems. Check with your local building department if there is a question.

This property IS NOT in a Soil Subsidence Hazard Zone.





SUPPLEMENTS AND NOTICES

MEGAN'S LAW - SEX OFFENDER DATABASE

Pursuant to Section 290.46 of the Penal Code, the California Legislature has created a statwide database to enable the public to secure information about specified registered sex offenders via an Internet Website 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.

GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES NOTICE

Effective July 1, 2013, sellers must disclose to buyers a specific notice pertaining to gas and hazardous liquid transmission pipelines as mandated by Civil Code Section 2079.10.5.

NOTICE: "This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at: https://www.npms.phmsa.dot.gov

To seek further information about possible transmission pipelines near the property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site."

Mapped information and data through the National Pipeline Mapping System (NPMS) consists of gas transmission pipelines, hazardous liquid trunk lines, liquefied natural gas (LNG) plants, and breakout tanks (tanks used to relieve surges in hazardous liquid pipelines). The NPMS does not contain information on interconnects, pump and compressor stations, valves, direction of flow, capacity, throughput, operating pressure, or gathering or distribution pipelines, such as lines which deliver gas to a customer's home. Therefore, not all pipelines in an area will be visible in the Public Map Viewer.

Distribution of detailed NPMS data is handled for the Pipeline and Hazardous Materials Safety Administration (PHMSA) by the National and repository and is limited to pipeline operators and local, state, and federal government officials. Neither the United States Government nor any party involved in the creation and compilation of NPMS data and maps guarantees the accuracy or completeness of the products. NPMS data has a target accuracy of +/- 500 feet and resides in geographic coordinates.

NPMS data must never be used as a substitute for contacting the appropriate local One-Call center prior to digging. Please call 811 before any excavation work is to be performed.

ENDANGERED SPECIES ACT NOTICE

Under the Federal Endangered Species Act and the California Endangered Species Act (ESA), all species that have been listed as "endangered", "threatened," or in some cases species that are "candidates" for declaration as endangered or threatened, are protected. The presence of a listed plant or animal on the property can have consequences for a Buyer's future plans, including but not limited to, prohibition or limitations on building, remodeling, grading, landscaping, and agricultural, livestock and equestrian activities and costs relating to governmental requirements for environmental mitigation of the effects of the Buyer's plans or activities. Violation of these laws could result in fines, civil penalties, forfeiture of personal property and imprisonment.

Parties to a real estate transaction in California should refer to the U.S. Fish and Wildlife Service websites included below. For more information about threatened and endangered species in California that are Federally listed in each county, including all critical habitats designated, please visit: <u>http://www.fws.gov and https://www.wildlife.ca.gov/Conservation/Environmental-Review</u>

CRITICAL HABITATS NOTICE

The California Endangered Species Act establishes critical habitats for any species listed under the Act. A critical habitat is defined as a specific area within the geographical area occupied by the species at the time of listing, if the area contains physical or biological features essential to conservation. Pursuant to Section 2052.1 of the Fish and Game Code, if measures are required to mitigate impacts to a threatened species, those measures will be roughly proportional to the impact on those species.

The Buyer is recommended to contact the local planning department and the California Department of Fish & Wildlife to ascertain what, if any, considerations might be involved as a result of being in or nearby habitat sensitive areas.

For more information, please visit: https://www.wildlife.ca.gov/Conservation/CESA





LAND CONSERVATION ACT (WILLIAMSON ACT) NOTICE

Per the California Department of Conservation, the Williamson Act is a means to restrict the uses of agricultural and open space lands to farming and ranching uses during the length of the contract period. The Williamson Act Program was also envisioned as a way for local governments to integrate the protection of open space and agricultural resources into their overall strategies for planning urban growth patterns. To this end, three principal objectives were originally outlined: protection of agricultural resources, preservation of open space land, and promotion of efficient urban growth patterns.

A Williamson Act contract runs with the land and is binding on all successors in interest of the landowner. The minimum contract length is 10 years with local jurisdictions having the option to increase the length to 20 years. Williamson Act contracts can be canceled by a landowner's petition; the minimum penalty for cancellation in $\frac{1}{16}$ of the fair market value of the property.

Several counties, including Los Angeles, San Francisco, Del Norte, Yuba, Inyo and Modoc, do not participate in the program.

For more information, please visit the California Department of Conservation, Division of Land Resource Protection at: https://www.conservation.ca.gov/dlrp/wa

SOLAR ENERGY SYSTEMS NOTICE

On and after January 1, 2018, California Civil Code Section 4746 requires a seller or transferor of residential real property within a common interest development to disclose to a prospective buyer(s) the existence of any solar energy system owned by the seller and the related responsibilities of the owner. In addition, the owner and each successive owner of the solar energy system is required to maintain a homeowner liability coverage policy at all times with a certificate provided to the association. The owner and each successive owner of the solar energy system is responsible for the costs of maintenance, repair, and replacement of the solar energy system until it has been removed and for the restoration of the common area. The new owner shall be responsible for the sone disclosures to subsequent buyers.

FEDERAL FLOOD INSURANCE NOTICE

Flooding may have a destructive effect, possibly causing loss of life, income, property damage. As a result, the federal government has created measures intended to aid disaster assistance by promoting insurance coverage for properties in flood disaster areas.

In addition to the flood disclosure in the Natural Hazard Disclosure Statement, Federal law (see US Code Title 42 Chapter 68 Subchapter III Section 5154a) requires a seller, no later than the property transfer date, to notify a buyer of the requirement to acquire and maintain flood insurance if disaster relief assistance has been previously provided on that property and such assistance was conditioned on obtaining flood insurance according to Federal law. If a buyer does not acquire and maintain flood insurance on a property disclosed to have been in a previous federal disaster area and that received disaster relief assistance, then no Federal disaster relief assistance will be made available should that property subsequently be in a flood disaster area. If the buyer does not acquire and maintain flood insurance and a seller relief assistance was received for that property, then should that property be damaged by a flood disaster and receive Federal disaster relief assistance, then should that property be at the property.

Per California state law (SBX1 7, Chaptered October 10, 1995), "state disaster assistance from being provided to a person required to maintain flood insurance by state or federal law, who has canceled or failed to maintain that coverage." is also prohibited.

WATER CONSERVING PLUMBING NOTICE

Beginning in 2017, the seller of single-family residential real property built on or prior to January 1, 1994 shall disclose, in writing, to the prospective buyer that Section 1101.4 of the Civil Code requires that California single-family residences be equipped with water-conserving plumbing fixtures on or prior to January 1, 2017, and whether the property includes any non compliant plumbing fixtures as defined in subdivision (c) of Section 1101.3.

Beginning in 2019, a seller of multifamily residential real property or of commercial real property built on or prior to January 1, 1994 shall disclose to the prospective buyer, in writing, that all non compliant plumbing fixtures in any multifamily residential real property and in any commercial real property shall be replaced with water-conserving plumbing fixtures on or before January 1, 2019, and whether the property includes any non compliant plumbing fixtures.

Noncompliant plumbing fixtures per California Civil Code 1101.3 are defined as any toilet manufactured to use more than 1.6 gallons of water per flush, any urinal manufactured to use more than one gallon of water per flush, any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute, or any interior faucet that emits more than 2.2 gallons of water per minute.

FIRE HAZARD SEVERITY ZONE NOTICE (AB 38)

According to California Civil Code 1102.6f, on or after January 1, 2021, in addition to any other disclosure required pursuant to this article, the seller of any real property subject to this article that is located in a high or very high fire hazard severity zone, as identified by the Director of Forestry and Fire Protection pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code, shall provide a disclosure notice to the buyer, if the home was constructed before January 1, 2010, that includes the following information:

"This home is located in a high or very high fire hazard severity zone and this home was built before the implementation of the Wildfire Urban Interface building codes which help to fire harden a home. To better protect your home from wildfire, you might need to consider improvements. Information on fire hardening, including current building standards and information on minimum annual vegetation management standards to protect homes from wildfires, can be obtained on the internet website https://www.readyforwildfire.org."





CARBON MONOXIDE DEVICES SAFETY LAW SUPPLEMENTAL ADVISORY

In May 2010, a new public safety measure was signed into law (Senate Bill 183) requiring all California homes to be equipped with carbon monoxide alarms. This law went into effect on July 1, 2011 and requires all single family homes with attached garage or a fossil fuel source to install a carbon monoxide alarm within the home. Multifamily dwellings must comply by January 1, 2013. Carbon Monoxide (CO) is known as the "Silent Killer" because it is an odorless, colorless and tasteless gas that can catch its victims completely unaware. CO is the leading cause of accidental poisoning deaths in the United States and accounts for up to 700 emergency room visits in California each year. CO poisoning can cause severe and chronic brain, lung and heart injuries and can lead to death. The only safe way to know if there is CO in your home is to install a working CO alarm. This includes any single-family dwelling, duplex, lodging house, private dormitory, hotel, motel, condo, time-share or multiple-unit dwelling that contains a fossil- fuel burning heater, appliance, fireplace or attached garage. CO device may be battery operated, plug-in with battery back-up, or hardwired with battery back-up.

Installation: CO alarms must be installed outside of each separate sleeping area in the immediate vicinity and on every level.

For more information, please visit the California Department of Forestry and Fire Protection (CAL FIRE) website at: https://osfm.fire.ca.gov/

OIL AND GAS WELL NOTICE ADVISORY

California has been producing oil and gas since the early 1980's. Many of these wells have been shut down over the years and abandoned. Often, these wells are improperly shutdown and will leak oil, natural gas, or water into the area near the well. The California Division of Oil, Gas and Geothermal Resources (DOGGR) is mandated to monitor and administer the program to locate these abandoned wells as well as the remediation process. Health and safety hazards may be associated with oil and gas wells, whether active or not, including, but not limited to, soil and groundwater contamination, oil and methane seeps, fire hazards, air quality problems, and physical safety hazards to humans and animals. If an abandoned well that has not been safely plugged exists on a property, the landowner may be subject to additional costs for "re-abandonment" of the well in compliance with current State laws and regulations.

Pursuant to California Public Resources Code 3106, California has established laws with respect to well drilling, operation, maintenance, and abandonment to:

"Prevent, as far as possible, damage to life, health, property, and natural resources; damage to underground oil and gas deposits from infiltrating water and other causes; loss of oil, gas, or reservoir energy, and damage to underground and surface waters suitable for irrigation or domestic purposes by the infiltration of, or the addition of, detrimental substances."

For more information, please visit: https://www.conservation.ca.gov/calgem/Pages/0il-and-Gas.aspx

MOLD ADVISORY

Molds and fungi are naturally occurring plants which may cause allergic reactions, respiratory problems and rashes, as well as other responses from sensitive people. Molds may be present inside and outside residential properties, and may damage property and possessions. There are inspection companies who may be retained to determine whether and to what extent molds and fungi may be present. This mold advisory is not a disclosure of whether harmful mold conditions exist at or on a property. No testing or inspections of any kind has been completed. All parties are advised to seek professional advice on the presence and clean-up of such material.

For more information, please visit: http://www.epa.gov/mold

METHAMPHETAMINE CONTAMINATION ADVISORY

California Law (Health & Safety Sections 25400.28) requires local health officers to make an assessment of a property after receiving notification from a law enforcement agency of potential contamination or of known or suspected contamination by a methamphetamine laboratory activity. If the property is determined to be contaminated, an order prohibiting its use or habitation shall be issued . Until the property owner receives a notice from a local health officer that the property identified in an order requires no further action, the property owner shall notify the prospective Buyer in writing of the order, and provide the prospective Buyer with a copy of the order (pursuant to Methamphetamine Contaminated Property Cleanup Act of 2005). The prospective Buyer shall acknowledge, in writing, the receipt of a copy of the order.

For more information, please visit: <u>https://dtsc.ca.gov/</u> or <u>https://www.epa.gov/sites/production/files/documents/meth_lab_guidelines.pdf</u>

WOOD BURNING HEATER ADVISORY

The Environmental Protection Agency's (EPA) responsibilities defined by the Clean Air Act are to improve and to protect both the country's air quality and the stratospheric ozone layer. Under the Clean Air Act, the EPA sets and reviews national air quality standards for Particulate Matter (PM). Air quality monitors measure concentrations of PM throughout the country. EPA state, tribal and local agencies use that data to ensure that PM in the air is at levels that protect public health and the environment.

The Great American Woodstove Changeout is a voluntary program intended to reduce particle pollution by encouraging the public to use EPA-certified stoves and fireplaces.

Some jurisdictions have created laws to reduce wood smoke. For more information regarding regulations, please visit: https://www.epa.gov/burnwise/wood-burning-resources-consumers





HOME ENERGY EFFICIENCY IMPROVEMENTS TAX CREDIT ADVISORY

Per the Department of Energy (DOE), the higher replacement cost of SEER (seasonal energy efficiency ratio) compliant air conditioning systems will be offset by a savings of up to 23 percent in monthly energy bills. The California Energy Commission states that leaking ductwork accounts for up to 25 percent of a home's heating costs. As a result, there are significant financial and environmental benefits as a property owner if he or she complies with the Energy Efficiency Standards In addition, consumers who purchase and install specific products, including but not limited to energy efficient windows, insulation, doors, roofs, and heating and cooling equipment can receive a tax credit of up to \$500.

For more information, please visit: http://www.energy.gov/taxbreaks.htm

CALIFORNIA ENERGY EFFICIENCY STANDARDS ADVISORY

Per Public Resources Code Sections 25402 and 25402.1, it is required that the California Energy Commission (CEC) integrate and update energy efficiency standards for residential and nonresidential buildings. The Energy Efficiency Standards are cost effective based on the building's life cycle, contain compliance approaches, and account for technological improvements. The CEC has adopted and updated the Standards to ensure that system design, building construction and installation achieve energy efficiency and maintain environmental quality.

The 2016 Building Energy Efficiency Standards, effective January, 1, 2017, improve the energy efficiency of both new and existing buildings, and include requirements that will enable both demand reductions and future solar thermal and electric system installations. Compliance with the standard is ensured by hiring a properly licensed contractor, and doing the installation with a building permit so that the City Building Inspector can check the completed work.

For more information, please visit:

http://www.energy.ca.gov/title24/2016standards/

BAY AREA AIR QUALITY MANAGEMENT DISTRICT (BAAQMD) RESIDENTIAL FIREPLACE NOTICE

(Applicable in the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma)

The BAAQMD's Regulation 6, Rule 3, Section 304 requires any person selling, renting or leasing real property with a wood-burning device in the nine-county Bay Area to provide the following notice:

RESIDENTIAL FIREPLACE DISCLOSURE: Residential wood burning is the leading source of wintertime air pollution in the Bay Area and studies have confirmed that there are significant health impacts from exposure to fine particulate matter found in wood smoke. The Bay Area Air Quality Management District ("BAAQMD") established the Wood Burning Devices (Wood Smoke Rule), Regulation 6, Rule 3 to reduce wintertime smoke pollution and protect public health.

The Wood Smoke Rule requires anyone selling, renting or leasing a property in the Bay Area to disclose the potential health impacts from air pollution caused from burning wood. Fine particulate matter, also known as PM 2.5, can travel deep into the respiratory system, bypass the lungs and enter the bloodstream. Exposure may cause short term and long term health effects, including eye, nose and throat irritation, reduced lung function, asthma, heart attacks, chronic bronchitis, cancer and premature deaths. Exposure to fine particulates can worsen existing respiratory conditions. High PM 2.5 levels are associated with increased respiratory and cardiovascular hospital admissions, emergency department visits, and even deaths. Children, the elderly and those with pre-existing respiratory or heart at conditions are most at risk from negative health effects of PM 2.5 exposure. The Buyer should consult with a licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace insert according to manufacturer's specifications to help reduce wood smoke pollution. The Air District encourages the use of cleaner and more efficient, non-wood burning heating options such as gas-fueled or electric fireplace inserts to help reduce emissions and exposure to fine particulates.

When the BAAQMD issues a Winter Spare the Air Alert during the winter season from November 1 through the end of February, it is illegal to burn wood, manufactured fire logs, pellets or any solid fuels in fireplaces, wood stoves or outdoor fire pits. To check when a Winter Spare the Air Alert is issued and it is illegal to burn wood, please call 877-4NO-BURN or visit:

www.baaqmd.gov or www.sparetheair.org

SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION JURISDICTION (BCDC) NOTICE

(Applicable in the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma)

Properties located within the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC) may be subject to special regulations, restrictions, and/or permit requirements. Per the BCDC, the Bay is a highly dynamic environment with ongoing changes to the shoreline over time. There is uncertainty in the shore line position as mapped by the NOS or any agency. You may wish to investigate and determine whether they are acceptable to you and your intended use of the property before you complete your transaction. Buyers, Sellers and Agents should contact the BCDC office if a more authoritative/jurisdictional determination is desired.

For more information, please contact the San Francisco Bay Conservation and Development Commission or visit their website at: http://www.bcdc.ca.gov/





DEFENSIBLE SPACE AND HOME HARDENING ADVISORY (AB-38)

On and after July 1, 2021, a seller of a real property located IN a High or Very High Fire Hazard Severity Zone, as identified by the Director of Forestry and Fire Protection, shall provide to the buyer documentation stating that the property is in compliance with Section 4291 of the Public Resources Code or local vegetation management ordinances.

Defensible Space:

Defensible space, coupled with home hardening, is essential to improve your home's chance of surviving a wildfire. Defensible space is the buffer you create between a building on your property and the grass, trees, shrubs, or any wildland area that surround it. This space is needed to slow or stop the spread of wildfire and it helps protect your home from catching fire, either from embers, direct flame contact or radiant heat. CAL Fire recommends to remove dead plants, keep tree branches 10 feet away from chimney, maximum height of 4 inches on grass, horizontal and vertical spacing, mowing before 10 AM and never on a hot day. CAL Fire has categorized three zones identified:

Zone 0 - Ember-Resistant Zone which extends 5 feet from buildings, structures, decks, etc.

Zone 1 - Lean, Clean and Green Zone which extends 30 feet from buildings, structures, decks, etc. or to your property line, whichever is closer.

Zone 2 - Reduce Fuel Zone extends from 30 feet to 100 feet out from buildings, structures, decks, etc. or to your property line, whichever is closer.

For more information, please contact CAL Fire or visit their website at (County specific links are located on the left side of the webpage): https://www.fire.ca.gov/dspace.or

https://www.readyforwildfire.org/prepare-for-wildfire/get-ready/defensible-space/

To request a Defensible Space Inspection from Cal Fire visit: https://survey123.arcgis.com/share/e659f03a6e8447af8663e42cf48f60fd



Hardening Your Home:

Flying embers from a wildfire can destroy homes up to a mile away and are responsible for the destruction of most homes during a wildfire. Taking the necessary measures to harden (prepare) your home can help increase its likelihood of survival when wildfire strikes. CAL Fire has guidelines on retrofitting and recommendations on roofing, vents, eaves and soffits, windows, walls, decks, rain gutters, patio cover, chimney, garage, fences, driveway and access roads, address visibility and water supply.

For more information, please contact CAL Fire or visit their website at: https://www.readyforwildfire.org/prepare-for-wildfire/get-ready/hardening-your-home/

Local Ordinance:

Many local government agencies have local ordinances for defensible space or weed abatement. These local ordinances will often be more stringent than the State's minimum requirements listed above (e.g., San Diego County requires 50 feet of clearance in Zone 1). Check with your local fire department or fire protection district for any additional defensible space or weed abatement ordinance requirements. Furthermore, you can see a comprehensive list and contact information of fire departments and fire stations in your desired county by visiting: https://osfm.fire.ca.gov

Plant and Tree Spacing:

The spacing between grass, shrubs, and trees is crucial to reduce the spread of wildfires. The spacing needed is determined by the type and size of brush and trees, as well as the slope of the land. For example, a property on a steep slope with larger vegetation requires greater spacing between trees and shrubs than a level property that has small, sparse vegetation.





Premier NHD | 866-NHD-8110 221 N. 3rd Street # 596 Burbank, CA 91502

ENVIRONMENTAL DISCLOSURES

(STATE, LOCAL & ADDITIONAL DISCLOSURES)

This statement applies to the following property: 38738 Desert Mirage Dr, Palm Desert, Ca 92260

REPORT PREPARED: 10/02/2023

SUBJECT PROPERTY: 38738 Desert Mirage Dr, Palm Desert, Ca 92260

SUBJECT PARCEL:

620362018

PROPERTY TYPE:

RSFR

ESCROW NUMBER: TBD

This is an official report and should be reviewed prior to the property purchase. Report void without full payment.



Determinations, Advisories and Table of Contents

Item	In	Out	Not Mapped N/A	Page
NATIONAL PRIORITY LIST (NPL) Area/Notes:				2
COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY (CERCLIS) Area/Notes:				3
SPILLS, LEAKS, INVESTIGATION, AND CLEAN UPS (SLIC) Area/Notes:				4
LEAKING UNDERGROUND STORAGE TANKS (LUST) Area/Notes: 1 site(s) found				5
ENVIROSTOR (FORMERLY CALSITES) Area/Notes:				6
SOLID WASTE INFORMATION SYSTEM (SWIS) Area/Notes:				7
OIL & GAS WELLS Area/Notes:				8
TOXICS CHEMICAL RELEASE INVENTORY (TRI) Area/Notes:				9
RCRA CORRECTIVE ACTION SITE (CORRACTS) Area/Notes:				10
RADIATION SITES Area/Notes:				11

This is a notification to you prior to your purchase of this property. Please also be aware that only fully-paid Reports are considered valid.







NATIONAL PRIORITY LIST (NPL)

This database includes U.S. Environmental Protection Agency (EPA) National Priority List sites that fall under the EPA's Superfund program, established to fund the cleanup of the most serious uncontrolled or abandoned hazardous waste sites identified for possible long-term remedial action.

Sites listed on the NPL do not require those persons in charge to take action nor is liability assessed.

For more information, please visit the EPA website:

https://www.epa.gov/superfund/superfund-national-priorities-list-npl

Site ID Site Name Address Distance (Miles)
--

No data available.





COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY (CERCLIS)

This list is compiled by the Environmental Protection Agency (EPA) of sites it has investigated or is currently investigating for release or threatened release of hazardous substances pursuant to SEMS (Superfund Enterprise Management System) or Superfund Act.

SEMS (Superfund Enterprise Management System) is a database managed and maintained by EPA as part of the Superfund program. The EPA retired CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System) in November 2013 and has been transitioning to SEMS, which contains the same content as CERCLIS. SEMS contains information such as the current status of cleanup efforts, cleanup milestones reached, and amounts of liquid and solid media treated at sites on the National Priorities List (NPL) or under consideration for the NPL.

The SEMS List is available at: https://www.epa.gov/enviro/sems-overview

Sites listed within 1 mile of the subject property are listed below.

#	Site ID	Site Name	Address	Distance (Miles)
		No da	ta found.	





SPILLS, LEAKS, INVESTIGATION, AND CLEAN UPS (SLIC)

The SLIC list contains sites that have had unauthorized spills or releases to soil, surface water and/or groundwater from a variety of stationary and mobile sources. The material released includes petroleum products and solvents, and is generally a "surface" spill and not a leak from an underground storage tank (UST). Leaks from USTs are included in the state's LUST list.

Geotracker is California's database system used by State and regional boards, and local agencies to track and archive data from released of hazardous materials for Spills , Leaks, Investigations and Cleanup. The Geotracker database can be found here:

http://geotracker.waterboards.ca.gov/

Sites listed within 1 mile of the subject property are listed below.

#	Site ID	Site Name	Address	Distance (Miles)
		No data found.		





LEAKING UNDERGROUND STORAGE TANKS (LUST)

The State of California publishes its Leaking Underground Storage Tank Information System (LUSTIS) identifying properties shown on a government list to have a leaking fuel tank. Sites which have already been cleaned up are also indicated. This database is provided by the California State Regional Water Quality Control Board (SWRCB), which works with local agencies such as water districts, fire departments and health departments for permitting as well as monitoring groundwater pollution. SWRCB maintains the LUSTIS database quarterly and also provides technical advice and general guidance but may also use its enforcement powers in order to assure cleanup.

The California Environmental Protection Agency's State Water Resources Control Board administers the Underground Storage Tank (UST) Program. The purpose of the UST Program is to protect public health and safety and the environment from releases of petroleum and other hazardous substances from tanks. An underground storage tank (UST) is defined by law as "Any one or combination of tanks, including pipes connected there to, that is used for the storage of hazardous substances and that is substantially or totally beneath the surface of the ground" (certain exceptions apply).

Geotracker is California's database system used by State and regional boards, and local agencies to track and archive data from released of hazardous materials.

For more information, please visit the Geotracker database website: http://geotracker.waterboards.ca.gov/

#	Site ID	Site Name	Address	Distance (Miles)
1	T0606500994	AVONDALE COUNTRY CLUB (LUST: Completed - Case Closed)	75800 CLUBHOUSE DRIVE PALM DESERT CA 92260	0.39





ENVIROSTOR (FORMERLY CALSITES)

EnviroStor is a search tool developed by The California Department of Toxic Substances Control (DTSC) that contains information on contaminated sites in California, as well as information on permit-documents. Searching is available by City, Zip Code, senate and assembly districts, and County.

EnviroStor's site database contains both a list of contaminated sites and also lists of facilities that process or transfer toxic waste. The database includes federally designated sites, state response sites, military sites, school sites and voluntary cleanup sites. Each entry in the database contains a report which includes information on the current address, site status, past contaminating uses, history of the site, current and historical toxic substances present, and land use restrictions, potential environmental impacts of toxic substances present as well as completed or planned projects. Sites that were once listed as contaminated but have been cleaned up or have had project completed are also specially listed.

The EnviroStor webpage at http://www.envirostor.dtsc.ca.gov/public/ also contains tools with which to search through permitted hazardous materials facilities in California. Information on these sites includes permit type, cleanup status as well as the location of the facility by address, city, county and zip code. The reports on these facilities include site history, DTSC supervising agents as well as current and completed decontamination and containment projects.

Sites listed within 1 mile of the subject property are listed below.

#	Site ID	Site Name	Address	Distance (Miles)
		No dat	a found.	





SOLID WASTE INFORMATION SYSTEM (SWIS)

The Solid Waste Information System (SWIS) facility database contains information on solid waste facilities, operations, and disposal sites throughout the State of California. The types of facilities found in this database include landfills, transfer stations, material recovery facilities, composting sites, transformation facilities, waste tire sites, and closed disposal sites.

For more information, please visit:

https://www.calrecycle.ca.gov/SWFacilities/

#	Site ID	Site Name	Address	Distance (Miles)
		No data found.		





OIL & GAS WELLS

The California Division of Oil, Gas and Geothermal Resources (DOGGR) is mandated to monitor and administer the program to locate the abandoned oil and gas wells and be a part of the remediation process. Health and safety hazards may be associated with oil and gas wells, including but not limited to soil and groundwater contamination, oil and methane seeps, fire hazards, air quality problems, and physical safety hazards to humans and animals. If an abandoned well that has not been safely plugged exists on a property, the landowner may be subject to additional costs for "re-abandonment" of the well in compliance with current State laws and regulations.

For more information, please visit:

http://www.conservation.ca.gov/dog/Pages/Index.aspx

#	Site ID	Site Name	Address	Distance (Miles)
		No data	found.	





TOXICS CHEMICAL RELEASE INVENTORY (TRI)

Toxics Chemical Release Inventory (TRI) is the nation's most comprehensive source of information on toxic pollution and is the flagship of the Community Right to Know program on toxic chemical hazards. This report uses an EPA database with information about releases of toxic chemicals to the air, water, and land and transfers of toxic chemicals from manufacturing and similar facilities which may release toxic chemicals.

For more information, please visit: http://www.epa.gov/tri/

#	Site ID	Site Name	Address	Distance (Miles)
		No data found	d.	





RCRA CORRECTIVE ACTION SITE (CORRACTS)

The Resource Conservation and Recovery Act (RCRA) grants EPA and authorized states the authority to regulate hazardous waste management facilities that treat, store, or dispose of hazardous waste. Although EPA guidelines are designed to prevent toxic releases at RCRA facilities, accidents or other activities have sometimes released pollutants into soil, groundwater, surface water and air. The RCRA Corrective Action Program, run by EPA and 41 authorized states and territories, compels responsible parties to address the investigation and cleanup of hazardous releases themselves. RCRA Corrective Action differs from Superfund in that Corrective Action site s generally have viable operators and on-going operations.

For more information, please visit: https://www.epa.gov/rcra

#	Site ID	Site Name	Address	Distance (Miles)
		No data	a found.	





RADIATION SITES

The Radiation Information Database (RADINFO) contains basic information about certain facilities that the U.S. Environmental Protection Agency (EPA) regulates for radiation and radioactivity. The regulations that govern radiation across the federal government are complex, and, therefore, RADINFO may not include every facility you might expect to find.

For more information, please visit: https://www.epa.gov/radtown

#	Site ID	Site Name	Address	Distance (Miles)
		No data found.		



Property Tax Disclosure Report





Your #1 Source for Property Information

Benutech, Inc. 200 Baker St. East Suite 200, Costa Mesa, CA 92626 Tel 866-887-0206 | info@titletoolbox.com www.titletoolbox.com



	Levied	Not Levied	Desc. Page
CURRENT Property Tax Bill (if available)			0
Breakdown of the CURRENT Property Tax Bill Sourced from the original secured property tax bill			2
MELLO-ROOS Community Facilities Districts Pursuant to Section 1102.6b of California Civil Code	0	Ø	6
1915 Bond Act Assessment Districts Pursuant to Section 1102.6b of California Civil Code		S	7
Property Assessed Clean Energy (PACE) Pursuant to Section 1102.6b of California Civil Code	D	∀	8
Ad Valorem Taxes and Voter Approved Bonds	۲		9
Direct Assessments	⊻		10
Landscape and Lighting			
Vector and Abatement			
Ongoing Utilities			
Protection Services		$\mathbf{\mathbf{V}}$	
Protection Services CSA/CSD			
CSA/CSD			
CSA/CSD Redevelopment	_		

Important Contact Information for this Property

 County Assessor's Office The Assessor is required by law to determine the value of all taxable property in the county for property tax purposes. 	Phone: Website: Email:
2. County Auditor-Controller The Auditor-Controller's office was established to provide the citizens with a fully independent, directly elected leader, who reports only to the voters, to oversee and explain how taxpayer dollars are spent.	Phone: Website: Email:
3. County Tax Collector MOST QUESTIONS ARE RESOLVED HERE This office collects and distributes property taxes for local agencies in the county. They provide billing and collection services for multiple county agencies.	Phone: Website: Email:



This data was gathered from independent and public sources generally deemed reliable but not guaranteed. The copyright laws of the United States (Title 17 U.S. Code) forbid the unauthorized reproduction of this form. Copyright @2018, Benutech Inc. All rights reserved.

This page was intentionally left blank.



BREAKDOWN OF THE CURRENT PROPERTY TAX BILL

This report is an estimate of the original secured property tax bill charges for the above-mentioned property using information obtained from the County on a given date. Changes made by the County or the underlying public agencies levying charges against this property after the date of this report may not be reflected in this report. Also, please note that calculations are based on the assessed value of the property on that date, and actual tax amounts will likely change when the property is transferred, since under most transfer conditions its value will be reassessed.

Basic Proposition 13 Levy					
\$6,557.22		General Purpose	010000	1.	
	951.955.3820	County Tax Collector			
_	951.955.3820	County Tax Collector			

1.	044821	Coachella Valley Water District		\$721.30
		Coachella Valley Water District	760.391.9600	
2.	032001	Desert Sands Unified School District		\$491.79
		Desert Sands Unified School District	760.777.4200	
3.	039001	Desert Community College - General Obligation Bonds		\$259.01
		College of the Desert	760.346.8041	

Total Ad Valorem Taxes:	\$8,029.32
Estimated Ad Valorem Tax Rate:	1.22450%

Mello Roos Community Facilities District(s)

There are no levies of this type on the current tax bill for this property.

Improvement Bond Act of 1915 Assessment District(s)

There are no levies of this type on the current tax bill for this property.

1.	682582	Landscape And Lighting Maintenance District No.1 Zone 5		\$421.00
		Willdan Financial Services	866.807.6864	
2.	684836	Coachella Valley Water District Sewer Service Charge		\$295.44
		Coachella Valley Water District	760.391.9600	
3.	682590	Refuse & Recycle Service Billing		\$144.96
		Burrtec Waste and Recycling Services	760.340.2113	
4.	682586	Palm Desert Emergency Services		\$60.00
		Willdan Financial Services	866.807.6864	
5.	684556	Coachella Valley Mosquito & Red Imported Fire Ants		\$14.38
		Willdan Financial Services	866.807.6864	
6.	684612	Coachella Valley Assessment District No.93-1 Recreation & Park		\$9.90
		Willdan Financial Services	866.807.6864	

Total Direct Assessment Charges:\$945.68Total Ad Valorem Taxes:\$8,029.32

Estimated Ad Valorem Tax Rate: 1.22450%

Total Tax Amount: \$8,975.00





CALIFORNIA PROPERTY TAXES - GENERAL OVERVIEW

Property tax is a large and significant tax, both to the local governments which rely on the revenue, and to the property owners who pay them - and so it is important to understand how the taxes are calculated, where the money goes, and why similar properties may pay different amounts in taxes.

Property tax money stays local. It stays within the county where it is collected, with much of it going to even more localized entities, such as cities and school districts.

Two types of taxes. While a typical property tax bill will have a list of many different taxes and fees, they can generally be grouped into two categories: *Ad Valorem taxes* and *Direct Assessments*. Ad Valorem taxes are based on the value of the property, while Direct Assessments are imposed on, for example, a per-parcel basis.

Proposition 13. In 1978, California voters approved Proposition 13, which set a limit on the property tax rate for an individual parcel to no more than 1% of its assessed value (not including previously approved bonds, future voter-approved bonds, or direct assessments with a basis other than the assessed value of the property). It also limited the amount a property's assessed value could increase per year and included contingencies for properties whose market value falls below their assessed value. Rather than being annually reassessed, as happened before Proposition 13, property reassessments didn't occur unless that property was transferred to a new owner, or significant improvements were added.

The 1% from Proposition 13 is then distributed, or "apportioned" by the county's Auditor-Controller to all the various local governments (where "government" can refer not only to city and county-level government, but also to school and community college districts, landscape and lighting districts, and other special districts which provide local services). Complex formulas distribute this money, based on both modern and historic factors.

Ad Valorem taxes. While Proposition 13 put an initial limit on the level of Ad Valorem taxes, it allowed governments, with the approval of voters, to pass bonds for large projects which would then be paid off through Ad Valorem taxes. Any additional Ad Valorem taxes on a property tax bill are designated for paying off these specific voter-approved general obligation (GO) bonds. GO bonds are usually for local infrastructure (such as schools, waste water treatment facilities, libraries, and fire stations), and cannot be used to pay for salaries or other operating expenses. As with the 1%, these taxes are based on the value of the property; however, their actual rates can change each year depending on each program's costs.

Similar properties may have different tax levels. Under Proposition 13, the assessed value of the property is based on either the value of the property when it was purchased (adjusted for inflation) or its current market value, whichever is lower. This means that, if one homeowner purchased her home many years ago, when it was valued at \$100,000, and her neighbor purchased a similar property more recently for \$400,000, the first homeowner will pay less in Ad Valorem taxes. Even though her property is now similarly worth around \$400,000, her property taxes will be calculated from the \$100,000 value from when she first purchased it.

Direct Assessments. Many other local government services, such as lighting and fire protection are paid for through direct assessments. Although this money is collected through the property tax system, the rates are determined by the public agency levying them, and are not allowed to be based on the value of the property. Instead, they are typically based on some measure of how much benefit the property receives from the service, or of the cost of providing the service to the property. For example, a street lighting assessment might be based on the size of the property, while an assessment for trash collection might be based on the cost of providing there are differences in meaning between the different terms, you will frequently see Direct Assessments referred to as Special Assessments, Direct Charges, Direct Levies, Fixed Charges, or Parcel Taxes.

Mello-Roos and 1915 Bond Act. There are two special types of direct assessments - Mello-Roos and 1915 Bond Act assessments. In order to finance large projects or infrastructure, or necessary services for a new development such as police services, a district can issue a bond with the approval of 2/3 of the affected property owners. The property owners will then see charges on their tax bills to make the principal and interest payments on the bonds. Significantly, these bonds are secured by liens on each individual property, which means that, if the charge is not paid, the taxing entity can foreclose on the property. Given the unique nature of these particular assessments, California law requires the disclosure of any such assessments to the potential buyer of a property. Both are discussed in greater detail later in this report.





Mello-Roos Community Facility Act of 1982

This property **is not** in a Mello-Roos District

ABOUT MELLO-ROOS

Government Code Section 53311 et seq

Traditionally, assessment financing is used for improvements that clearly and directly benefit specific property. Creation of a special assessment district requires that a jurisdiction determine and calculate the pro-rata benefits derived by each parcel of property as a result of the improvements within that district. For example, street improvements, sewer lines, and sidewalks clearly benefit the adjoining properties.

By contrast, Mello-Roos financing was created to provide a financing mechanism for improvements (and services) that were not well suited for traditional assessment financing. Some improvements, especially regional improvements, have benefits which are more difficult to calculate. For example, a school may generally benefit a specific community, but each property's benefits can only be determined by the number of children living on that property who attend the school. Therefore, greater flexibility is obtained if properties within the community as a whole are taxed for these improvements. Also, the Mello-Roos Act provides statutory procedures for creating a district called a Community Facilities District ("CFD") which can approve, by a twothirds vote, a special tax to finance a variety of public improvements and services. The tax- supported nature of the financing grants much greater flexibility to the various types of improvements to be financed; virtually any public improvement is eligible. The CFD can be irregularly shaped, include non-contiguous parcels, and finance improvements which are located outside the boundaries of the district. The statute, however, includes procedural features analogous to assessments: a resolution of intention, public hearings, and the ability to halt proceedings through protest.

Mello-Roos and assessment financing are secured by a lien on real property, and that lien is superior to all mortgages even if those mortgages pre-date the special tax or assessment lien. It is the superiority of that lien which attracts investors to Mello-Roos and assessment bonds. If these vehicles are used to finance publicly-owned improvements, interest on the bonds is typically exempt from federal and state income taxes. Tax-exemption lowers the interest rate paid to purchasers of these bonds, and thus decreases the special tax or assessment lien paid by property owners.

The key advantage of Mello-Roos and assessment financing of public infrastructure accrues to developers. There are limits to the amount a commercial bank, insurance company, or other traditional project lender will loan to a given developer or project. Borrowing money for public infrastructure through Mello-Roos or assessment bond issues preserves the developer's credit capacity for other purposes. This benefit has become increasingly important as recent difficulties experienced by financial institutions have reduced their capacity for lending.

The advantages of these financing tools to subsequent property owners or tenants are not immediately obvious. Since Mello-Roos and assessment bonds carry a tax exempt interest rate, the developer's cost to finance certain infrastructure improvements is lower than with more traditional taxable forms of financing. However, real estate prices paid by subsequent property owners or tenants are more a function of the real estate market than the costs of development. Therefore, in order for the real estate market to fully reflect the existence of Mello-Roos or assessment financing on a particular property, and for subsequent property owners to realize any benefit, the existence of Mello-Roos or assessment financing must be fully disclosed to all purchasers of property throughout the life of the assessment in a comprehensible and timely manner.

Text from LA County City Administrator's Office, Mello-Roos Policy document, downloaded from http://cao.lacity.org/debt/MelloRoosPolicy.PDF on January 22, 2017





Improvement Bond Act of 1915

This property **is not** in a 1915 Bond District

ABOUT 1915 BOND ACT ASSESSMENTS

Streets and Highways Code Section 8500 et seq

A bond is issued under the Improvement Act of 1915 to finance construction on public infrastructure which directly benefits the properties in a district. (The district may be defined at the time to be all the properties affected by the infrastructure project). Most 1915 Act projects are not actually on the property they benefit; for example, 1915 Bonds can fund: roads, sidewalks, sewers, lighting, water infrastructure, and other similar projects. New 1915 bonds must be approved by a majority of the affected property holders.

Significantly, the debt is broken up into many small debts, one for each benefitting property. That benefitting property is used as the security for its small "loan." What this means in a practical sense is that the debt is tied to the property even if it changes hands, and so a potential buyer may want to consider it as a factor affecting the value of the property. Although a 1915 Bond appears on the property tax bill, like Mello-Roos bonds (and unlike most other items on the bill), a 1915 Bond is considered a lien on the property, and delinquency can lead to foreclosure proceedings.

The normal 1915 Bond is broken up into more-or-less equal annual payments for a 20 year period. As with other bonds, the total amount paid covers not just the principal of the loan, but also its interest. Depending on the jurisdiction, the bond balance may or may not be able to be paid off prematurely.





PACE/HERO Loans

PROPERTY ASSESSED CLEAN ENERY PROGRAM AB 811 (PACE) / HOME ENERGY RENOVATION OPPORTUNITY PROGRAM (HERO)

Streets and Highways Code Section 5898 et seq.

This property **is not** in the PACE/HERO program

The property-assessed clean energy (PACE) model is an innovative mechanism for financing energy efficiency and renewable energy improvements on private property. PACE programs allow local governments, state governments, or other interjurisdictional authorities, when authorized by state law, to fund the up-front cost of energy improvements on commercial and residential properties, which are paid back over time by the property owners.

PACE financing for clean energy projects is generally based on an existing structure known as a "land- secured financing district," often referred to as an assessment district, a local improvement district, or other similar phrase. In a typical assessment district, the local government issues bonds to fund projects with a public purpose such as streetlights, sewer systems, or underground utility lines.

The recent extension of this financing model to energy efficiency (EE) and renewable energy (RE) allows a property owner to implement improvements without a large up-front cash payment. Property owners voluntarily choose to participate in a PACE program repay their improvement costs over a set time periodâ€"typically 10 to 20 yearsâ€"through property assessments, which are secured by the property itself and paid as an addition to the owners' property tax bills. Nonpayment generally results in the same set of repercussions as the failure to pay any other portion of a property tax bill.

A PACE assessment is a *debt of property*, meaning the debt is tied to the property as opposed to the property owner(s), so the repayment obligation may transfer with property ownership, if the buyer agrees to assume the PACE obligation and the new first mortgage holder allows the PACE obligation to remain on the property. This can address a key disincentive to investing in energy improvements, since many property owners are hesitant to make property improvements if they think they may not stay in the property long enough for the resulting savings to cover the upfront costs.

Text from the US Department of Energy's PACE information page, downloaded from <u>https://energy.gov/eere/slsc/property-assessed-clean-energy-programs</u> on February 10, 2017.





DETAILS OF PACE LEVIES

There are no levies of this type on the current tax bill for this property.

Ad Valorem Charges

ABOUT AD VALOREM TAXES

While Proposition 13 limited property taxes to 1% of the taxable value of the property, it allowed for exceptions for voter approved indebtedness. With the exception of projects approved by voters before 1978, these bonds must be used to acquire or improve real property, and the voters approving it must be in an area, large or small, benefiting from the project. (Voters won't, for example, be able to approve a project for a school district which doesn't/won't service their property.) The most common projects involve renovating schools or building new school buildings, though more standard infrastructure projects are also sometimes funded this way.

Once a project is approved by voters, the agency will issue bonds to pay for it. Typically, multiple bonds will be issued for a single project, since borrowing the money as a lump sum will cost more in interest than borrowing it in phases. However, in many counties, the property tax bill only shows the total amount the property holder must pay for that project; where possible, a breakdown of the project into its individual bonds will be included in this report.

The amount each taxpayer pays is, depending on the project, typically based either on the total value of the property, or on the value of the land. The rate is calculated each year based both on the cost of servicing the existing bonds, and of the anticipated cost of servicing any additional bonds which will be issued within the fiscal year. This means that the amount paid for ad valorem taxes, while limited both by the value of the property and the restrictions (such as maximum amount borrowed) placed on the project by the voters, may vary in rate from year to year. For more information about a given ad valorem tax, please contact the agency responsible for issuing the bonds and managing the project.

There may be items on the tax bill which are called "Refunding Bonds". These are not actually refunds on the property tax bill, but instead a way for an entity to refinance existing bonds, typically at a lower interest rate and with other, better terms.





Additional Direct Assessments

Not all items on a property tax bill are taxes. The property tax billing system is a convenient way for public entities to collect the money needed to provide a variety of services and/or improvements to each property. Some of the more common types of direct assessments are discussed below in greater detail. Please note that these discussions are a general overview of complicated statutes and codes. Please refer to the statutes themselves for detailed information.

LANDSCAPE AND LIGHTING

Streets and Highways Code Section 22500 et seq

As with other assessment districts, Landscape and Lighting Districts ("LLDs") are a way to provide and pay for improvements and maintenance which benefit a group of parcels. With LLDs, "improvements" can include landscaping, fountains, street lights, traffic signals, curbs, sidewalks, playground equipment, and acquiring land for parks. "Maintenance" includes repair, removal, or replacement of any of the improvements, and meeting the needs (watering, pruning, fertilizing, etc.) of the landscaping.

The law requires that the net cost of the improvements be "fairly distributed" among all affected parcels. However, different jurisdictions have different formulas for determining the official amount that a given parcel will benefit from the improvements, and thus what portion of the costs it must pay.

Typically, LLDs are managed at the city level, but in some cases they are controlled at a county level, or even at a special district level. Every year, an engineer must prepare a report which details the improvements within an LLD and proposes a budget for the next year. These reports are on file with the County.

VECTOR CONTROL AND MOSQUITO ABATEMENT (DIRECT ASSESSMENT)

Health and Safety Code Section 2000 et seq

Vector Control Districts have been used by California governments since 1915 to collect the costs of protecting the public from vectors - "any animal capable of transmitting the causative agent of human disease or capable of producing human discomfort or injury, including, but not limited to, mosquitoes, flies, mites, ticks, other arthropods, and rodents or other vertebrates." Typically, the item on the property tax bill is for the district's ongoing abatement needs; these have been approved by a majority of the affected property owners. In some cases, the situation may warrant a one-time abatement, for which the property owner will be charged. Before one of these abatements can happen, however, the property owner must be notified, and a public hearing must take place.

ALL OTHER DIRECT ASSESSMENTS

Several of the most common types of special assessments are summarized in the following:

- Improvement Act of 1911 (Streets and Highways Code Section 5000 et seq.)
- Municipal Improvement Act of 1913 (Streets and Highways Code Section 10000 et seq.)
- Park and Playground Act of 1909 (Government Code section 38000 et seq.)
- Tree Planting Act of 1931 (Streets and Highways Code Section 22000 et seq.)
- Benefit Assessment Act of 1982 (Government Code section 54703 et seq.)
- Integrated Financing District Act (Government Code section 53175 et seq.)
- Street Lighting Act of 1919 (Streets and Highways Code Section 18000 et seq.)
- Municipal Lighting Maintenance District Act of 1927 (Streets and Highways Code Section 18600 et seq.)
- Street Lighting Act of 1931 (Streets and Highways Code Section 18300 et seq.)
- Parking District Law of 1943 (Streets and Highways Code Section 31500 et seq.)
- Parking District Law of 1951 (Streets and Highways Code Section 31500 et seq.)
- Parking and Business Improvement Area Law of 1989 (Streets and Highways Code Section 36500 et seq.)
- Parking and Business Improvement Area Law of 1994 (Streets and Highways Code Section 36600 et seq.)
- Pedestrian Mall Law of 1960 (Streets and Highways Code Section 11000 et seq.)
- Permanent Road Divisions Law (Streets and Highways Code Section 1160 et seq.)
- Community Rehabilitation District Law of 1985 (Government Code section 53370 et seq.)
- Geological Hazard Abatement District (Public Resources Code section 26500 et seq.)
- Open Space Maintenance Act (Government Code section 50575 et seq.)



This data was gathered from independent and public sources generally deemed reliable but not guaranteed. The copyright laws of the United States (Title 17 U.S. Code) forbid the unauthorized reproduction of this form. Copyright @2018, Benutech Inc. All rights reserved.



• Fire Suppression Assessment (Government Code section 50078 et seq.)

DETAILS OF DIRECT ASSESSMENTS

#	Fund ID	Desc.	Contact
1.	682582	Landscape And Lighting Maintenance District No.1 Zone 5 The District provides for the maintenance and operation of local landscaping and lighting improvements and associated appurtenances located within public right-of-ways and dedicated easements.	Willdan Financial Services 27368 Via Industria, Suite 200 Temecula, CA 92590 jperezmoses@willdan.com
2.	682586	Palm Desert Emergency Services	Willdan Financial Services 27368 Via Industria, Suite 200 Temecula, CA 92590 jperezmoses@willdan.com
3.	684556	Coachella Valley Mosquito & Red Imported Fire Ants	Willdan Financial Services 27368 Via Industria, Suite 200 Temecula, CA 92590 sreynods@willdan.com





SUPPLEMENTAL RESOURCES AND RESEARCH

IMPORTANT INFORMATION REGARDING TAX EXEMPTIONS

The following is provided as a resource, listing types of property tax exemptions and general qualifying factors of each exemption; however, it is not possible to address all the unique situations that may arise in determining eligibility.

Please note that exemptions from property taxation are exemptions from ad valorem taxation; they do not apply to direct levies or special taxes. For example, annual tax bills may include other items such as special assessments, special taxes, direct levies, delinquent county utility billings, weed and hazard abatement charges, and Mello-Roos Bonds. None of these items are defined as property taxes under the law because they are not based upon the assessed value of the property. Exemption only applies to ad valorem taxes.

For information about exemptions not listed here, please visit <u>http://www.boe.ca.gov/proptaxes/exempt.htm</u>, where the California Board of Equalization provides information about all available exemptions.

Homeowners' Exemption (http://www.boe.ca.gov/proptaxes/exempt.htm)

The California Constitution provides a \$7,000 reduction in the taxable value for a qualifying owner-occupied home. The home must have been the principal place of residence of the owner on the lien date, January 1st. To claim the exemption, the homeowner must make a one-time filing of a simple form with the county assessor where the property is located. The claim form, BOE-266, Claim for Homeowners' Property Tax Exemption, is available from the county assessor.

A person filing for the first time on a property may file anytime after the property or claimant becomes eligible, but no later than February 15 to receive the full exemption for that year.

Homeowners' Exemption claimants are responsible for notifying the assessor when they are no longer eligible for the exemption. December 10th is the last day to terminate the Homeowners' Exemption without penalty; the assessor should receive notice of ineligibility by that date.

Veterans' Exemption (http://www.boe.ca.gov/proptaxes/exempt.htm#25)

The Veterans' Exemption provides exemption of property not to exceed \$4,000 for qualified veterans who own limited property (see Revenue and Taxation Code section 205). The Veterans' Exemption may be claimed by a person currently serving in the military service or one who has been honorably discharged the unmarried surviving spouse or either parent of a deceased veteran meeting the service requirements. In order to qualify for this exemption, the claimant may not own property, real or personal, worth more in aggregate than \$5,000 if the claimant is single. If married, the couple may not own property worth more than \$10,000. In addition, the claimant must have lived in California on the lien date, January 1.

To apply for the Veterans' Exemption, a claim must be filed each year with the assessor of the county where the property is located. The claim form, BOE-261, Claim for Veterans' Exemption, is available from the county assessor. To receive the full 100 percent exemption for property owned on the January 1 lien date, the claim must be filed by February 15.

More information on this exemption, including qualification requirements, is available at the above website, through the California State Board of Equalization, or by contacting your County Assessor.

Disabled Veterans' Exemption (http://www.boe.ca.gov/proptaxes/dv_exemption.htm)

The Disabled Veterans' Exemption reduces the property tax liability for qualified veterans who, due to a service-connected injury or disease, have been rated 100% disabled or are being compensated at the 100% rate due to un-employability. Along with the disability requirements, a qualified veteran is one that has been honorably discharged fed from one of the military services and served during one of the time periods listed in California Constitution Article XIII, section 3(o). See Veterans' Exemption for a complete description of a qualified veteran. In order for property to qualify for the Disabled Veterans' Exemption, it must be used as the principal place of residence of the veteran or the unmarried surviving spouse of a qualified disabled veteran. One exception to this requirement occurs when the claimant is confined to a hospital or other care facility and the property would be that claimant's principal place of residence were it not for such confinement, provided that the residence is not rented or leased. The property may be owned by the veteran, the veteran's spouse, or the veteran and spouse jointly. The unmarried surviving spouse of qualified veterans may also claim the exemption.

This exemption provides for a more advantageous exemption than the Veterans' Exemption or the Homeowners' Exemption. Thus, if a veteran qualifies, a veteran who is a homeowner should choose the Disabled Veterans' Exemption in lieu of the Veterans' Exemption or the Homeowners' Exemption.

More information on this exemption, including qualification requirements, is available at the above website, through the California State Board of Equalization, or by contacting your County Assessor.



This data was gathered from independent and public sources generally deemed reliable but not guaranteed. The copyright laws of the United States (Title 17 U.S. Code) forbid the unauthorized reproduction of this form. Copyright @2018, Benutech Inc. All rights reserved.



TERMS, CONDITIONS, AND LIMITATIONS

Report Preparation. This Report is prepared using data obtained from (a) governmental agencies that have created, or have authorized and intend to create new 1915 Act and/or Mello-Roos Districts ("District Data"), from (b) public property tax information and records ("Property Tax Data"), (c) from additional public data sources, and from (d) a proprietary database created by TTB for the purpose of creating these reports ("TTB Database"), referred to individually as the "Database" and collectively as the "Databases".

The disclosures contained herein are based upon a diligent search of applicable statutes and governmental publications, notifications, liens, databases and the like that are existing as of the date of this Report. Modifications or changes by governmental entities made after the date of this Report may affect disclosures herein.

Database Updates. The Property Tax Data used in this Report is created by the applicable governmental agencies between September 1st and November 30th of each year and incorporated into the TTB Database ("Update Period"). It is obtained by TTB as soon as reasonably possible after becoming publicly available which in some cases may be after it is available on public websites. Due to the detailed nature of obtaining, processing and adapting the data into a usable format for preparing this Report there will be some delay once the updated information is obtained by TTB. The information in this Report can and may vary from year to year and can only be relied upon for the fiscal year being reported. The Property Tax Data can and will change throughout the year as determined by the agency having responsibility for that Database and may be made at any time and without notice. Generally, these updates do not impact or alter the 1915 Act or Mello-Roos District information provided in the Report and for that reason the updates may not be obtained by TTB. This Report is current as of the date the TTB Database was last updated by TTB for the fiscal year being reported. TTB is under no obligation to update this Report for the subsequent tax year when and if it becomes available.

Report and Database Limitations. TTB assumes that the District Data and the Property Tax Data is reliable and accurate and has not conducted any independent audit to verify the reliability, authenticity, or veracity of the data. TTB is not liable or responsible for any errors, inaccuracies or omissions in the District or Property Tax Data supplied by the various governmental and private agencies used to produce this Report. The Report is valid for the current fiscal year only and cannot be relied upon for subsequent fiscal years. The Databases may not be accurate, current, fully detailed, or complete. It is possible that a parcel of real property may be within a Mello-Roos or 1915 Act District that has been authorized and created but not yet appears within the Databases. There may be other governmental databases with relevant information which are not included in this report. This Report does not contain any information related to any other tax bills that may be issued for any reason including but not limited to corrections, changes in ownership, escaped or prior years, supplemental or unsecured property taxes.

Seller Responsibilities and Prohibitions. It is the responsibility of the Seller to enter the correct assessor's parcel number ("APN"), in the proper format for the County in which the subject property is located and to verify that the address is correct. Regardless of the Report's content the Seller must disclose to the prospective Buyer all material facts known to the Seller relating to the subject property being within a 1915 Act or Mello-Roos District. The Seller must immediately notify TTB if they suspect information on the Report is out-of-date or otherwise inaccurate for any reason. During the Update Period a new Report will be issued if requested by the Seller, in writing within 14 days of new information becoming publicly available.

Only the Parties May Rely on this Report. This Report is for the exclusive, non-transferrable benefit of the Parties to the transaction for which it has been purchased. This Report cannot be relied upon by (a) any persons other than the Seller and Buyer and their respective Agents, or (b) for any other real property, or (c) for any future transactions involving the subject property for which this report has been purchased. The purchase price paid for this Report does not include any amount for protection of any other properties, parties or future transactions.

Limited Liability. This Report is not an insurance policy and does not claim to provide the same protections as an insurance policy and has been priced accordingly. This report is not a substitute for a title report or title insurance and may not be relied upon as such. It does not obligate TTB to defend any Party against any claims, and TTB shall not have any duty to defend against any claims that may be brought. The price of this Report is not based upon any responsibility for defense costs, or for the assumption of unpaid future tax liability. The premium for an insurance product would be significantly higher than the cost of this report. Therefore, in order to induce TTB to provide this Report for the price charged, and to help streamline the process of resolving any disputes that may arise, the Parties agree that if there is a material error or omission in this Report:

- The Party who suffers damages as a result of such error or omission shall be entitled to recover from TTB the actual proved damages not to exceed the total tax amount under-reported payable for a five (5) year period or ten thousand dollars whichever is less.
- TTB shall not be liable for indirect, consequential, or punitive damages (including, but not limited to, emotional distress or pain and suffering).
 TTB shall not be liable to a Party for any matters known to that Party or its Agent (including errors in this Report) and not disclosed in writing to
- both the other Parties and TTB prior to the date the subject property is sold by the Seller to Buyer.
- TTB is not responsible for inaccurate APN or address information provided by the person who ordered this report for the subject property.

Other Agreements. This Report sets forth the complete and integrated agreement between TTB and the Parties. Evidence of prior statements, representations, promises or agreements shall not be admissible to vary the terms of this written agreement. This agreement may not be changed or amended except by a written document signed by an authorized representative of TTB and the Parties. In the event that any dispute arises between TTB and any Parties relating to this Report or its subject matter, or any act or omission of TTB, the prevailing party shall be entitled to recover their reasonable costs, including attorneys' fees, from the losing party and will be resolved in the applicable Federal or state court in the County of Orange, State of California, United States of America. If any provision of this Report, or its application to any circumstance, is held to be invalid, unenforceable, or void, the remainder of this Report shall remain in full force and effect and enforced to the fullest extent possible. This Report is deemed valid only upon receipt of payment of the full price of the report within 30 days after the close of Escrow. Upon receipt of Payment by TTB the Parties may rely on the Report and its representations and a contract is formed with TTB.

BY ACCEPTING OR USING THIS REPORT, THE PARTIES HEREBY AGREE TO BE BOUND BY ALL OF THE TERMS, CONDITIONS, AND LIMITATIONS STATED HEREIN.



This data was gathered from independent and public sources generally deemed reliable but not guaranteed. The copyright laws of the United States (Title 17 U.S. Code) forbid the unauthorized reproduction of this form. Copyright @2018, Benutech Inc. All rights reserved.

NOTICE OF SUPPLEMENTAL TAX BILL

In addition to annual taxes, you may be responsible for paying supplemental property taxes. State law requires the Assessor to reappraise property upon a change in ownership or new construction. The supplemental assessment reflects the difference between the new assessed value and the old or prior assessed value. If the property is reassessed at a higher value than the old assessed value, a supplemental bill will be issued. If the property is reassessed at a lower value than the old assessed value, a refund will be issued.

The taxes are prorated based on the number of months left in the fiscal year from the date of ownership change or the new construction completion date. If the change in ownership or new construction occurs between January 1st and May 31st, two supplemental tax bills will be issued. The first supplemental bill will be for the remainder of the fiscal year, and the second supplemental bill will be for the fiscal year that follows.

The estimate below was calculated based upon the information provided by the California State Board of Equalization and accessed at http://www.boe.ca.gov/proptaxes/faqs/suppassessment.htm in December, 2016. It is only an estimate, as actual supplemental taxes will be calculated by the County Auditor-Controller after the supplemental event occurs.

ESTIMATED SUPPLEMENTAL TAX CALCULATOR

1. Estimated Purchase Price	
2. Current Assessed Value	
3. Current Tax Rate	
4. Estimated Sale Date	
Increased Value Annual Tax Increase	Calculate

Estimated Supplemental Tax Bill No 2

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

BUYER'S CONFIRMATION OF RECEIPT:

I (WE) ACKNOWLEDGE THAT I (WE) HAVE RECEIVED A COPY OF THIS NOTICE.

Transferee's Signature	 Date:
(Buyer):	
Transferee's Signature	 Date:
(Buyer):	

CONFIRMATION OF RECEIPT

THE INFORMATION PROVIDED IN THIS REPORT WAS PREPARED BY TITLE TOOLBOX ("TTB") AND IS SUBJECT TO THE TERMS AND CONDITIONS CONTAINED HEREIN. THE PURPOSE OF THIS REPORT IS TO ASSIST THE SELLER IN FULFILLING HIS OR HER LEGAL DISCLOSURE REQUIREMENT PURSUANT TO CALIFORNIA CIVIL CODE § 1102.6B. THIS REPORT WAS COMPILED USING INFORMATION OBTAINED FROM THE COUNTY, VARIOUS GOVERNMENTAL AGENCIES AND THIRD PARTIES. TTB IS NOT RESPONSIBLE FOR ANY INACCURACIES OR OMISSION IN THE PUBLIC RECORDS OF THE COUNTY, VARIOUS GOVERNMENTAL AGENCIES, OR FOR INFORMATION PROVIDED BY THIRD PARTIES. THIS REPORT IS NOT A SUBSTITUTE FOR A TITLE REPORT OR TITLE INSURANCE AND MAY NOT BE RELIED UPON AS SUCH.

BUYER'S CONFIRMATION OF RECEIPT:

I (WE) ACKNOWLEDGE THAT I (WE) HAVE RECEIVED A COPY OF THIS NOTICE.

Transferee's	Signature
(Buyer):	

Date:

Transferee's Signature (Buyer):

Date:

TERMS & CONDITIONS GOVERNING REPORTS & DISCLOSURES

The acceptance or use of this Natural Hazard Disclosure Report ("Report") by Premier NHD is subject to each of the following Terms and Conditions. Only the transferor(s) and transferee(s), and their agents/brokers, if any, involved in the Transaction ("Recipient(s)") may use and rely on a Report and only after they have paid in full for the Report. This Report is for the exclusive use of the Recipients. No person or entity, other than the Recipients, shall be entitled to use or rely on the Report. The Recipients agree that the Report is subject to the following Terms and Conditions. This Report is made for the real property specifically described in the Report ("Subject Property"). The Subject Property shall not include any property. beyond the boundaries of the real property explained in the Report. The Subject Property shall not include any easements, or any right, title, interest, estate, or easement in any abutting streets, roads, ways, alleys, lanes, or waterways, or structures (whether located on the Subject Property, or not).

- 1. Definitions:
 - a. "Company" shall mean a registered entity operating as Premier NHD.
 - b. "Public Records" Company relies upon the public records identified in the Report without conducting an independent investigation of their accuracy.
- 2. Scope of Report. Company will conduct a review of such public records as are readily available at the time of the search, and will provide the Recipient(s) with a Report disclosing whether the Subject Property is located within: (a) Specified Natural Hazard Zones Any of the FEMA Flood Hazard Zones, Dam Inundation Zones, Very High Fire Hazard Severity Zones, Wildland Area, Fire Responsibility Area Zones, Alquist-Priolo Earthquake Fault Zones, and Seismic Hazard Zones, Right to Farm, Airport Vicinity, Military Ordinance Site, Mining Operations whose terms are defined under California Civil Code § 1103 et Seq. (depending on the report product ordered); (b) Subject property tax districts (depending on the report product ordered); (c) In proximity to those specified environmental sites (depending on the report product ordered).

No determination is made and no opinion is expressed, or intended, by this Report concerning: (a) The entitlement, right, or improve or ability to develop the Subject Property; (b) Comprised of legal lots in conformance with the California Subdivision Map Act or local ordinances; (c) Architectural, structural, mechanical, engineering, or legal matters; (d) Existence of hazardous or toxic materials or substances, or any other defects, on or under the Subject Property, unless specifically described in the Report; (e) The existing Subject Property tax liabilities; and (f) The need to purchase earthquake, flood or fire insurance for the subject property. Company accepts no responsibility or liability for reliance by anyone other than Recipients. The Recipient(s) is advised to consult the local Planning Department to determine whether factors beyond the scope of any Report may limit the transferee(s) ability to use or improve the Property. The Report is prepared by Company solely to assist the Recipients in complying with the requirements of California Civil Code Sections 1103.2, 1102.6c, 1102.6e, 1102.17, 2079.10a, AB646 (depending on the report product ordered) and for no other purpose. Company is also providing City/County natural hazard disclosures, other real estate disclosures, and notices and advisories on conditions which may impact the subject property.

- 3. This Report is not an Insurance Policy. Company has relied on the statues identified above in making determinations. This report shall not be construed as a warranty or policy of insurance of any kind.
- 4. Additional Obligations. The Recipient(s) are required to make certain natural hazard and real estate disclosures in connection with the transfer of certain real property. Additionally, any known facts that are within Recipient's actual knowledge must be disclosed. Recipient's duty to identify Subject Property accurately. It shall be the Recipient's sole responsibility to ensure that the address and assessor parcel number (APN) of the Subject Property are correct. Upon receipt of a Report from Company, the Recipient shall verify that the Report accurately reflects the Subject Property address, APN, property description and other location information.

Recipient's Duty to Disclose. In the event that the Report omits any information of which the Recipient is aware, the Recipient shall notify Company within (10) days of the omission so that Company can issue a revised Report. Company shall have no liability whatsoever to recipient, or any agent of recipient, for any omissions if recipient was aware of the information prior to the issuance of the report.

- 5. Database Changes and Updates. Updates to databases used in this Report are determined by the managing agency and may be made at any time and without notice. Company maintains an update schedule and makes commercially reasonable efforts to use updated information. The Report is issued as of the date of the disclosure statement. Company relies upon public records without conducting an independent investigation of their accuracy. Therefore, the Company assumes no responsibility for the accuracy of the public records identified in the report. Company has made no other review or personal site inspections. Company will not be responsible for any updates, amendments, or alterations made after the date of issue. If the transaction does not close within a reasonable time after the requested order date, Company strongly recommends that a new report be ordered.
- 6. Liability. Company's liability for any claim, or claims, including, but not limited to, any claim for breach of contract or negligence is limited to actual and direct damages as a result of any error or omission in the Report. Company shall not have any liability for speculative damages, errors, inaccuracies, untimeliness, lost profits, or any indirect, incidental or consequential damages arising in any connection whatsoever with the preparation or use of this Report. In the event of any error, omission or inaccuracy in the Report, Company shall have no duty to defend and/or pay any attorney's fees, costs and expenses, incurred by Recipient(s). The tax information in this Report comes from what Company believes to be reliable sources. However, Company shall not be responsible or liable for errors in the tax data it obtains from third party suppliers.
- 7. General Provisions. Governing Law. The Report shall be governed by and construed in accordance with the laws of the State of California.
- Arbitration. If a claim, controversy or dispute between the parties arises out of, in connection with, or with respect to the Report, or any subject matter governed by these terms and conditions either party may request binding arbitration of the issue in accordance with the following procedures:

 (a) Upon either party's request for arbitration, an arbitrator shall be selected by mutual agreement of the parties to hear the dispute in accordance with the Rules. If the parties are unable to agree upon an arbitrator, then either party may request that the American Arbitration Association ("AAA") select
 - the Rules. If the parties are unable to agree upon an arbitrator, then either party may request that the American Arbitration Association ("AAA") select an arbitrator and such arbitrator shall hear the dispute in accordance with the Rules. The arbitration shall be conducted in Los Angeles or Orange County, California; (b) Each party shall bear its own fees, costs and expenses of the arbitration and its own legal expenses (including any attorneys', experts' or witnesses' fees). Unless the award provides otherwise, the fees and expenses of the arbitration procedures, including the fees of the arbitrator or arbitrators will be shared equally by the involved parties; (c) Any award rendered pursuant to such arbitration shall be final, conclusive and binding upon the parties, and any judgment thereon may be entered and enforced in any court of competent jurisdiction; (d) The parties expressly agree that the prevailing party shall not be entitled to any attorney's fees or costs for any dispute arising from the issuance of this Report.
- 9. Severability. In the event any provision of the Terms and Conditions to this Report is determined to be invalid or unenforceable under applicable law, then such provision shall be deemed as severed from the remainder of the Terms and Conditions, and all of the other provisions of the Terms and Conditions shall remain in full force and effect.

