ALAMEDA COUNTY DISCLOSURES AND DISCLAIMERS ADVISORY

(<u>This form is intended for use with the California Association of REALTORS®</u> form "Statewide Buyer and Seller Advisory")

This Advisory is intended for use in Alameda County, including all cities and unincorporated areas of the County.

Please read it carefully, along with any local Advisories or local disclosures and Seller or Agent Disclosures relating to the Property.

PARAGRAPHS		PAGE		PARAGRAPHS	
INTRODUCTION		2	C.	C. FED., STATE AND REG. CONDITIONS (cont.)	
				Underground Utilities	11
A.	MARKET CONDITIONS ADVISORY	3		Crime	11
				Water-Conserving Plumbing Fixtures	11
B.	GENERAL PROPERTY ADVISORIES	3		Pool and Spa Safety	12
	Existing Housing Stock	3		Garage Door Safety Requirements	12
	Floors and Walls	4		Real Property Taxes, Assessment Districts, Vacant Land	12
	Tempered Glass	4		Rental Property, Rent Caps & Just Cause Eviction	13
	Fireplaces; Wood-Burning Appliances	4		General Rental Property Issues and Fair Housing	13
	Square Footage and Lot Size	4		Short-Term and Vacation Rentals	14
	Fence Maintenance	4		Public Services	14
	Trees and Vegetation	5		New Construction Warranties, Defects and Lawsuits	14
	River, Creek and Levee Protection	5		Private Roads	15
	Flood Mapping	5		Marijuana (Cannabis)	15
	Environmental Mapping	5			
	Wildfire Hazards	6	D.	COUNTY AND CITY ADVISORIES	15
	Underground Storage Tanks	6		Noise from Transportation Systems	15
	Condos, CIDs and HOAs	6		San Francisco Bay Regulations	15
	Plastic Pipe	7		Flood Benefit Assessment	16
	Insurance and C.L.U.E. Reports of Claims	7		Spark Arrestors	16
	Online Photos, Information & Consumer Priv.	8		Residential Rental Unit Fee	16
	Probate Sales and Court Confirmation	8		HVAC/Ducting	16
	Smoke Alarms and CO Detectors	8		No Smoking Ordinances	16
	Water Heaters	9		Sewer Line Inspection and Compliance	16
	Animals	9		Real Estate Developer and Rehab. of Real Estate	17
	Architectural and Construction Plans	9		Sidewalk Repair Programs	17
				Alameda City Ordinances and Disclosures	17
C.	FEDERAL, STATE AND REGULATORY	9		Berkeley Regulations	19
	CONDITIONS ADVISORIES	9		Livermore Regulations	19
	Unstable Hillsides	9		Meadow Brook Village in Fremont	19
	Expansive Soils	9		Oakland Regulations	20
	High Water Tables	9		Piedmont City Ordinances	20
	Wet Weather Conditions	10			
	Climate Conditions	10	E.	SOURCES OF GENERAL INFORMATION	20
	Permit Issues	10			
	Nonconforming Uses, etc.	10	F.	ATTORNEY/ACCOUNTANT RECOMMENDATIONS	21
	Balconies/Deck Inspection & Retrofit Require.	11			
	Seismic Retrofitting/Soft-Story Buildings	11	G.	ACKNOWLEDGEMENT RE BROKERS	21
Historic Resources		11	WI	RE FRAUD SCAM ALERT	22

INTRODUCTION

This Advisory provides general information about selling and buying real property in Alameda County and is effective as of July 2020. It is not intended to be a comprehensive guide to buying real estate nor is it designed to alarm Buyers and Sellers. Although this Advisory does not limit any legal duty of real estate brokers, it does point out some limitations on real estate brokers' duties. This Advisory points out that when purchasing something as important and valuable as real estate, Buyers have a legal responsibility to protect themselves by taking special precautions to investigate the issues detailed in this Advisory and any other issues which impact the use, value or desirability of the Property; consult with the appropriate experts and/or governmental agencies. Do not just rely on real estate brokers or Sellers as sources for all information. When Buyers have questions, doubts or concerns, they should conduct their own Investigation with their own chosen professionals. For more information about the areas covered by this Advisory, Buyers can go online at the sites referenced at the end of this Advisory.

The information in this Advisory may change over time and/or new issues may develop due to actions taken at the federal, state, county, city and/or private, local level. Some of the issues that are covered in this Advisory are point of sale or retrofit requirements that may also get triggered by remodeling efforts or efficiency requirements. Sellers and Buyers should investigate the applicability of these requirements to the past, present and future sale, purchase, ownership and/or development of the Property.

- Sellers must disclose anything that is known to the Sellers that materially affects the value or desirability of the
 Property. Sellers who need help in completing their disclosure obligations should consult with their own qualified,
 California real estate attorney; Brokers cannot determine the legal sufficiency of any disclosure.
- Sellers should conduct a diligent search of their documents to determine if they have any reports, disclosures, repair estimates and invoices (of any age) or other information which relate to the Property or the issues in this Advisory and provide a copy of that material to Buyers preferably with the Sellers' disclosure documents regardless of which disclosure forms are used.
- Sellers and Buyers should read this Advisory in conjunction with a careful review of all disclosures required by Sellers and by the real estate Brokers involved in the transaction including, without limitation, the Real Estate Transfer Disclosure Statement and the Supplemental Property Questionnaire, if provided by Seller.
- Buyers are responsible for conducting their own investigations into the issues discussed in this Advisory as well
 as those issues that are not referenced in this Advisory to the extent that those additional issues may affect the
 Buyers' determination of the use, value, desirability or development of the Property. That investigation should take
 place prior to the Buyer's removal or waiver of any investigation contingency. Buyers are urged to:
 - Carefully read the information contained in all advisories, pamphlets, disclosures, inspections, and/or reports that Buyers receive from any source.
 - Conduct additional/further investigations and inspections regarding any issues that concern Buyers which are raised in the documents received by Buyers from any source.
 - Thoroughly and thoughtfully inspect and evaluate the Property and, in so doing, meet Buyers' obligation to
 protect themselves, including those facts which are known to or within the diligent attention and observation
 of the Buyers.
- Buyers need to inquire into any additional matters (beyond those in this Advisory) to the extent that those
 additional issues affect the Buyers' determination of the use, value, desirability or development of the Property.
- Buyers must bear in mind that a Property may suffer defects and deficiencies which neither Sellers nor Brokers
 are aware. Buyers should also recognize that not all issues can be objectively determined and some issues can
 have varying impacts on different people since some people may be more sensitive than others.
- Buyers are urged to engage licensed professionals to evaluate all aspects of the Property and to consult all
 appropriate governmental agencies. Buyers' right to conduct certain types of investigations may be limited by the
 Purchase Contract or other factors such as Homeowners' Association requirements.

- Any representations about the issues in this Advisory made by third parties have not been verified by Brokers and need to be independently confirmed by Buyers.
- Although licensed to list, sell and lease real estate, Brokers may not have expertise on the issues in this Advisory.

The real estate licensees involved in the transaction do not warrant or guarantee the accuracy of the information contained in this Advisory or the adequacy of the information contained herein as it relates to a specific real property transaction.

A. MARKET CONDITIONS ADVISORY

Real estate markets are cyclical. It is impossible to predict what market conditions will be at any given time. The ultimate decision of how much to offer on any property rests with Buyers. Buyers need to decide what they are willing to pay in light of market conditions and their own financial resources. Buyers must also decide what type of offer to make in recognition of existing market conditions. Purchase price is not a simple calculation based upon square footage but an agreement as to what Buyers will pay and what Sellers will accept.

Real estate brokers traditionally recommend that Buyers protect themselves by conditioning their purchase on an inspection of the Property so that the Buyers can be assured that the Property meets their needs. In some markets, many Buyers are choosing to forego that sage advice so that their offer is more attractive to Sellers. If, after making an offer without an investigation contingency. Buyers become aware of an aspect of the condition of the Property that affects its value or desirability, Buyers may still be required to proceed to purchase the Property or possibly pay damages to the Seller, which may be the deposit in escrow. If this is a condition that must subsequently be repaired, Buyers may have no legal recourse against any of the parties in the transaction after escrow closes, including the Seller, the brokers or the inspectors, and then the Buyers may have to pay to correct those problems.

Waiving the right to have a contingency regarding inspection of the property does not necessarily waive the Buyers' right to access the Property, even if the Property is being sold "AS IS". Regardless of whether there is an investigation contingency, Broker recommends that prospective Buyers have the Property thoroughly inspected by their own experts prior to the Close of Escrow.

The lender's approval of financing includes the lender's determination that (1) Buyers are creditworthy and can afford to make the mortgage payments and (2) that the Property appraises for at least the principal amount of the loan. Even if Buyers have obtained a pre-qualification or pre-approval letter from a lender, the lender may not ultimately approve the loan if the lender's appraiser determines that the Property's fair market value is less than the amount of the purchase price or if the Buyers' financial/employment situation has changed. If there is no financing contingency and the Property does not "appraise", Buyers may not be able to afford to make up the difference between the loan amount applied for and the loan amount actually offered by the lender. Under those circumstances, Buyers may not be able to perform on Buyers' contractual obligations. This could then result in the Buyers paying damages to the Seller. It is a serious risk for Buyers to eliminate from the purchase contract their right to have a financing and/or appraisal contingency if they intend to secure a loan.

B. GENERAL PROPERTY ADVISORIES

1. EXISTING HOUSING STOCK: Many properties have been built under different building codes and may not accommodate current or future personal property items such as electric cars. Regardless of its age, Buyers should have the Property inspected by a competent property inspector and obtain additional inspections recommended in any inspection report, or as may be necessary for Buyers to determine the actual condition of the Property. The Property's components, appliances, fixtures, systems and materials may have varying degrees of remaining useful life and may be subject to failure without notice. In addition, not all components, improvements or fixtures of the Property may comply with current code, zoning, health and safety, setback requirements, religious or cultural preferences. Some homes contain appliances, products or manufactured materials, such as Chinese dry wall, which may be defective, create problems with the use or value of other

aspects of the home and/or may be subject to manufacturer or governmental recall and/or a class action lawsuit. All homes include many components which require ongoing maintenance. Deferred maintenance will decrease the life span and/or functionality of many of these components. Buyers should seek reliable advice from appropriate professionals and to plan/budget for maintenance and future repairs.

- 2. FLOORS AND WALLS: The personal property of the Seller may make a visual inspection of floors and walls difficult. The existence of certain types of floor coverings, such as carpeting and rugs, as well as certain types of wall coverings, such as wallpaper and paneling, and furniture prevent inspectors and brokers from inspecting the condition of the floors and walls beneath those materials. When exposed, these areas may have a different pattern of wear or shade of color. If Buyers wish to determine the condition of the floors and walls beneath such coverings, Buyers will need to secure the written authorization of the Seller to conduct investigations with appropriate professionals since removal of floor coverings may be required.
- 3. <u>TEMPERED GLASS</u>: Many homes contain glass that IS NOT tempered in locations where tempered glass IS required by building regulations. Buyers are advised to have a contractor's inspection to identify the presence of any glass that is not properly tempered before removing a physical investigation contingency. Buyers should consider replacing any non-tempered glass with tempered glass to reduce the risk of injury.
- 4. FIREPLACES; WOOD-BURNING APPLIANCES: Residential wood burning is the leading source of wintertime air pollution in the Bay Area and studies have confirmed 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 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 blood stream. Exposure may cause short-term and long-term health effects, including eye, nose and throat irritation, reduced lung function, asthma, 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 conditions are most at risk from negative health effects of PM2.5 exposure. Buyers 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 the air quality is unhealthy and when a Winter Spare the Air Alert is issued, call 1-877-4NO-BURN or visit www.baaqmd.gov or www.sparetheair.org.

The information in **Paragraph 4** was provided by BAAQMD. Brokers have not verified and will not verify any of the information provided by BAAQMD.

- 5. SQUARE FOOTAGE AND LOT SIZE: Different sources of size information including but not limited to Sellers and Appraisers often provide different square footage or lot size numbers for a property; public records may be, and often are, inaccurate and thus there are frequently discrepancies in the advertised sizes. Buyers are advised that square footage and/or lot size numbers, which may be obtained from various sources such as public records, MLS and others and are provided to Buyers regarding the Property are not, and will not be, verified by Sellers or the real estate agents. Buyers should obtain a specific disclosure regarding any known size discrepancies from Sellers and/or the real estate Brokers. If the square footage or lot size of the Property is an important consideration in Buyers' decision to purchase the Property, and/or the price that Buyers are willing to pay, then Buyers must independently conduct Buyers' own investigation through appropriate professionals and rely solely on that data.
- 6. **FENCE MAINTENANCE:** If the Property has a fence that is located on the boundary line, Civil Code Section 841 provides that the adjoining private landowners have an equal obligation to maintain the fence. However, fences are often <u>not</u> located on the boundary line and when that is true, who is responsible for maintaining the fence is a legal determination. Thus, questions regarding who is responsible for repairing or maintaining a fence should be reviewed with a qualified California real estate attorney. Brokers are not qualified to make that determination.

7. TREES AND VEGETATION: Protected Trees. Most cities have an ordinance that requires property owners to obtain a permit prior to removing Protected Trees (also known as Heritage Trees) from their property. Protected Trees are defined within the code of each city (such as Dublin and Newark). Removing or damaging any Protected Tree without the proper permit constitutes an infraction. In addition to the cost of the infraction, violators may be liable for damages. A City may place a lien on the Property if imposed fees are not paid on a timely basis. That lien may subsequently be added to the county property tax bill.

In addition, the Alameda County Tree Ordinance requires property owners planning to perform any of the following activities to obtain an approved permit from the Alameda County Public Works Agency: Pruning/ Trimming of branches over one (1) inch in diameter (permits are not required for minor pruning of branches one (1") inch in diameter or less), planting or removing a tree.

Hazardous Trees: Some cities define hazardous tree conditions within their Municipal Building Codes and address ways of mitigating those conditions on both private and public property. There are often stringent time frames for responding to hazardous tree claims. If hazardous tree claims are not resolved privately, a claimant may, as a last resort, pursue the claim through the court system.

View Ordinances: Some cities have view ordinances that restrict the height of trees so that trees do not unreasonably obstruct the view that existed at the time of purchase of the property. Certain trees that are part of the natural habitat can be exempt from this law. Often a view property will have recently trimmed trees and shrubs revealing the view. Buyers should take note that maintaining that view could entail not only trimming foliage on their own property, but also enlisting the cooperation of their neighbor to keep their foliage trimmed, usually at the Buyers' expense. Cities do not take an active role in these issues; rather they encourage the private resolution of such disputes. Each city has a slightly different mechanism for handling these situations, and Buyer is encouraged to review the Municipal Code during their inspection period.

Buyers are encouraged to seek the advice of a licensed arborist for any questions regarding trees that are on the Property or on a neighbor's property.

8. RIVER, CREEK AND LEVEE PROTECTION: Many properties are impacted by creeks (a narrow channel or small stream), underground aquifers, and/or culverts (a man-made structure used to enclose a flowing body of water which is usually designed to allow water to pass underneath a road or other structures). If the Property includes, abuts or is located near a creek or culvert, Buyers should investigate the possibility of flooding and/or water intrusion or other nuisances that may result from proximity to those water sources by contacting appropriate experts. Brokers cannot determine these issues. In addition, some cities have enacted regulations regarding creeks and culverts making maintenance of these creeks and culverts the responsibility of adjacent property owners which can involve considerable expense.

For example, in the unincorporated areas of Alameda County, property owners whose land has a watercourse that abuts or passes through the property must maintain that part of the watercourse and keep it reasonably free of trash, debris, excessive vegetation and other obstacles and must make certain that any structures on the property will not become a hazard to the use, function or physical integrity of the watercourse. Buyers should review the Alameda County Watercourse Protection Ordinance with their own experts regarding these issues and before commencing any work in, over or near a watercourse.

- 9. FLOOD MAPPING: Flood maps and flood designations for all properties may change over time which could impact the future use, value, desirability or development of the Property as well as its insurability. Rising sea levels may also have an impact on future flooding. Under the "Homeowner Flood Insurance Affordability Act of 2014," properties in flood zones, designated in an NHD report, will experience annual premium increases which could be as much as 18% to 25% per year. For further details regarding any specific Property, go to: https://www.realtor.org/articles/senate-passes-flood-insurance-with-house-amendments.
- 10. <u>ENVIRONMENTAL MAPPING</u>: Some of the third/party Natural Hazards Disclosure ("NHD") companies may provide information regarding environmental hazards that are mapped by the federal government, state or local entities such as Super Fund Clean-Up sites. Buyers should consider discussing with the NHDS provider what environmental disclosures and maps may be available.

- 11. WILDFIRE HAZARDS: Wildfire disasters can create health and safety concerns in the aftermath of clean-up efforts, as well as unknown and possible future concerns related to the rebuilding of infrastructure in the impacted areas. Some of the concerns and issues of wildfires include, but are not limited to: lot clearing costs; environmental clean-up concerns; local, state and/or federal regulations for issuing permits and/or for authorizing rebuilding efforts; availability of insurance and/or utilities; construction-related inconvenience and delay; and the impact that federal, state or local disaster declarations may have on materials, prices, costs and rent. Buyers should investigate all wildfire related issues to determine what impact, if any, those issues may have on the Buyer's current and future use or development of the Property.
- 12. UNT): Many of the larger, older homes in this area built before 1935 may have or have had an Underground Storage Tank for the fuel oil that fired the Property's furnace. As natural gas became the more common standard fuel for home furnaces, virtually all of the old furnaces have been replaced. However, many of the fuel oil tanks remain buried on the property. In residential applications, the California State Water Resources Control Board regulates all UST's in California. The licensing, inspection and regulation of UST's in residential application are currently exempt provided the tank is less than 750 gallons and was used for fuel oil only. However, this does not guarantee that the Property would be exempt from abatement if a UST is discovered upon the Property. Each municipality has very different regulations concerning UST's that may include removal and soil clean-up of any toxic material that may have leaked from the tank. Buyers and Sellers are advised to speak directly to the Public Works Department, Building Department and/or Fire Department in the pertinent city concerning specific regulations affecting UST's.
- 13. CONDOMINIUMS, COMMON INTEREST DEVELOPMENTS AND HOMEOWNERS' ASSOCIATIONS: If the Property is in a Common Interest Development ("CID"), the Seller should request that the Homeowners' Association ("HOA") provide all required documents regarding the HOA operation and expenses to meet the Seller's disclosure obligations under Civil Code Section 4525. It is strongly recommended that Buyers receive the current HOA documents directly from the HOA rather than from any online service or from an earlier transaction. Although Sellers can legally provide their own copies of the required documents, the best practice is to have the HOA provide the documents so that the most current information is provided to Buyers.

Buyers need to carefully examine all of the documents that are provided regarding the HOA and compare the documents with the list of required disclosures specified in the HOA form from the California Association of REALTORS®. If any document(s) are missing, Buyers should send a written request to the Seller that the Seller provide the missing documents and/or provide a written explanation for why the document(s) were not included with the other HOA documents.

Some HOA's do not prepare or keep all documents required by the law, such as reserve studies and/or financials and may not be operating in compliance with the law. As a result, Buyers may only receive a portion of the state required documents; in which case Buyers must be aware that they are buying into an HOA without the benefit of the information those documents would provide. Buyers should retain the services of experts, such as attorneys, accountants or others who specialize in reviewing HOA documents to determine the adequacy of the reserves and whether or not the Property is suitable for the Buyers' intended uses.

Any changes or improvements to a unit generally require some form of review and approval by the HOA. The HOA may impose significant restrictions on any changes, especially those which impact the common area(s). These restrictions may include imposing maintenance obligations and/or indemnification requirements in case of damage during installation. Buyers should review all HOA restrictions and determine the impact of those restrictions, during the contingency period, if they intend to make changes including but not limited to those which involve adding solar energy systems onto common area roofs or adding special equipment for televisions and other electronic equipment. Another example is that HOAs often restrict the type of floor and/or wall material that can be used in certain units and/or the number of pets due to noise and other factors; however, reasonable accommodations must be made for assistance animals. Buyers should directly contact the HOA Board to determine whether or not the Property can be used for Buyers' intended purposes. Buyers should also determine whether or not the Property meets Buyers' subjective personal preferences, including the degree to which smoking is allowed. Buyers should keep in mind that HOA governing documents can change over time (by board action, the member approval process and/or court action) thus there is no guarantee that the Buyers' future intended uses will be allowed. See also **Paragraphs 39 and 40** regarding long-term and short-term rental issues.

Many CID have been involved in or are presently involved in litigation regarding the design, construction, maintenance and/or condition of all or a part of the Development. Whether or not these lawsuits are successful, litigation is expensive and the cost of such legal actions may impact not only the adequacy of the HOA reserves but also the amount of current or future assessments. The existence of HOA insurance does not necessarily mean that there is insurance coverage for any given single interest or unit in the CID, an owner's remodeling or upgrade efforts, and/or the owner's contents.

Occasionally issues arise in the purchase of property in a CID regarding parking and/or storage spaces associated with a single interest or unit in the Development. Buyers should determine for themselves whether or not the allotted parking space(s) are adequate to park the Buyers' vehicle(s) in the assigned spaces by actually parking in those spaces. Parking space(s) and storage space(s), if any, may be described in a Condominium Map or in the Preliminary Report issued by a Title Company. The actual markings, striping and numbering of these space(s) may not accurately reflect the actual spaces and may be in conflict with the space(s) designated in the recorded documents. It is therefore crucial that Buyers personally determine that the parking and storage space(s) that are designated in the recorded documents are actually being transferred to Buyers and that those space(s) are acceptable for the Buyers' intended needs and uses of the Property. See also **Paragraph 52** re Sewer Line Inspection and Compliance if there is an HOA.

Sellers who have ever served on the HOA Board, may have access to information and documentation that is not provided by the HOA and/or which is deemed "confidential" or protected by an "attorney client privilege". Sellers should consult with their own qualified California real estate attorneys to determine how they will need to disclose that additional information; Brokers are not qualified to evaluate or investigate those legal issues.

Some cities, such as Berkeley, have enacted No Smoking Ordinances, banning smoking in common areas and units in multi-unit buildings (see **Paragraph 51**). The sale of a unit in a multi-unit building may need to include a disclosure in the contract regarding a local No Smoking Ordinance and renting some multi-unit residences may also require a provision in the lease or other rental agreement that it is a material breach for the Tenant or anyone else to smoke in the unit or common areas. Brokers are not qualified to evaluate or investigate this legal issue.

Real estate licensees are not obligated to inspect the common areas of the CID. Buyers should therefore investigate the general condition of the entire CID subject to the authorization of the HOA.

- 14. PLASTIC PIPE: Some builders in Alameda County used PEX water pipes in constructing homes. This type of pipe, manufactured under the name of KITEC®, has been alleged in a class action lawsuit to be faulty and a settlement of that lawsuit has been reached. Buyers should investigate whether or not there are any plastic pipes or fittings prior to removing their investigation contingency and investigate the current and future condition of those pipes. For additional information about this particular product and/or to learn more about the lawsuit, there is a website available at: http://www.kitecsettlement.com/faq.cfm. Buyers should also contact a qualified California real estate attorney to discuss any questions they may have regarding their ability to recover proceeds from this settlement.
- 15. INSURANCE AND C.L.U.E. REPORTS OF INSURANCE CLAIMS: As part of Buyers investigation into their ability to obtain homeowners' insurance coverage, Buyers should ascertain if their chosen insurance company will require certain retrofit repairs, such as installation of safety glass and/or fireplace spark arresters and a gas shut-off valve. The fact that an insurance company may require these repairs does not necessarily mean that the Seller is obligated to pay for and/or make the repairs requested by the insurer. In addition, prior claims submitted by Buyers on other properties may affect the final cost of the homeowners' insurance on the property being purchased by Buyers. Buyers should investigate these matters thoroughly prior to removing their investigation contingency.

Standard real estate purchase agreement forms require Sellers to provide Buyers with insurance claims history for the property for a period of five years preceding the sale. Sellers do not always know (or remember) the insurance claims history. Natural Hazards Disclosure Statement ("NHDS") Reports had included a report used by insurance companies called C.L.U.E., but NHDS Reports no longer include those reports. Because a C.L.U.E. report itself is not required, Sellers may disclose the insurance information themselves as part of the disclosure process. For the most accurate information regarding past insurance claims, Sellers may be able to either: (a) go online to: https://personalreports.lexisnexis.com/ and create an account that will enable the Sellers to order a

- C.L.U.E. report; or (b) contact their homeowner insurance policy broker who may be able to provide a copy. Buyers can also include in their purchase contract an obligation for Sellers to provide them a C.L.U.E. report.
- 16. ONLINE PHOTOS, INFORMATION & CONSUMER PRIVACY: Effective January 1, 2020, the California Consumer Privacy Act of 2018 ("CCPA") imposes new privacy obligations on certain types of businesses that collect "personal information" about California consumers. Not all individuals and/or entities with whom you interact during a real estate transaction are required to comply with the CCPA. For additional information, review the California Consumer Privacy Act Advisory created by the California Association of REALTORS®. Whether or not CCPA applies, photographs of the Property provided to the MLS and Brokers' websites may appear on other Brokers' sites as well as national data aggregation sites, including, but not limited to, Realtor.com, Zillow and Trulia. It is not possible for Brokers to remove photos from websites over which they have no control.

Information regarding the Property and the neighborhood may exist online in various blogs, discussion boards, Nextdoor, Facebook pages, official neighborhood association and HOA sites. However, other unofficial sites written by third parties may also exist with postings about the community, people and properties. Some online sites offer viewers the opportunity to express opinions and air complaints. The information available on official and unofficial sites may consist of opinion, speculation, unfounded assertions and rumors, making it difficult to determine what is and what is not true. Neither Seller nor any of the real estate licensees may be aware of, nor will they conduct a search of, any online information, even if they are using or have used those platforms to advertise goods or services. Sellers and real estate licensees are not obligated to verify, investigate, explain or remove commentary of third parties.

17. PROBATE SALES AND COURT CONFIRMATION: An executor or administrator (the "Representative") of a probate estate may sell estate property if it is in the best interests of the estate to do so. The sale of estate real property is typically subject to Probate Court Confirmation. The Independent Administration of Estates Act ("IAEA") provides a simplified method of probating estates with limited court supervision. Under the IAEA, the Representative may list real property with a broker for a period not to exceed 90 days without prior court approval and to sell the Property without court confirmation, unless a person named in the will or other person who is entitled to receive a Notice of Proposed Action objects; in which case court confirmation will be required. The Representative's ability to sell without court supervision or approval under IAEA is not absolute and is conditioned upon there being no objections by interested persons (generally, the heirs). If there is any objection, Court Confirmation may be necessary.

Probate property is always sold "As-Is" and certain standard disclosure forms, such as the Real Estate Transfer Disclosure Statement, are not required. However, the Representative must nonetheless disclose all actual knowledge of material facts affecting the value or desirability of the Property.

If Court Confirmation is required and is subject to open competitive bidding (which is true in probate, conservatorship, guardianship, receivership or bankruptcy sales), it is strongly recommended that Buyers personally appear in Court when their offer is scheduled for confirmation. Buyers should understand that in most sales requiring Court Confirmation, the Property may continue to be marketed and that their broker and others may represent other competitive bidders prior to and at the Court Confirmation hearing. Different types of courts have their own rules for how to handle the possibility of over-bids, including whether initial deposits need to be in a certain amount or whether an over-bid needs to be a specific percentage above the original offer. Any questions regarding the specific rules for the Court where the confirmation hearing is to be held should be directed to the clerk of that Court. It is also strongly recommended that Buyers consult a real estate attorney who is knowledgeable about Court Confirmation sales since real estate brokers/agents are not qualified to provide legal advice.

18. SMOKE ALARMS AND CARBON MONOXIDE DETECTORS: California Health and Safety Code §13113.8 requires installation of smoke alarms in residential property. If a TDS is required, the Sellers certify in the TDS that the Property has (or will have prior to Close of Escrow) operable smoke alarms which are approved and installed in compliance with the State Fire Marshal's regulations and applicable local standards including installation of alarms with 10-year batteries in all bedrooms before finalizing any permitted contracting work costing \$1,000 or more. State law requires carbon monoxide detectors in living areas of residential properties that have fossil fuel burning appliances, even if those appliances are several floors below, for example, furnaces in the basement of a condominium building.

- 19. <u>WATER HEATERS</u>: Under State law, all water heaters must be braced, anchored or strapped to resist falling or horizontal displacement due to earthquake motion and Sellers of Property must certify to Buyers that the bracing requirement has been satisfied. In addition, water heaters which are newly installed or moved must be raised so their ignition point is 18 inches off the ground. Many other plumbing code requirements may also apply, e.g. gas venting, pipe wrapping, temperature and pressure relief valves, drain valves, bollard protection in garages.
- 20. ANIMALS: The past or present existence of animals anywhere on the property may be a red flag of damage or other problems. Animal urine and feces can damage floors, floor coverings, walls, baseboards, or other components. Additionally, animals can attract fleas, ticks and other pests that can remain on the Property after the animal has been removed. Complete elimination of odors and other problems created by animals may not be possible even by professional cleaning efforts or replacing carpets, pads and other affected components. Property may be subject to local ordinances regulating the maintenance, breeding, number or type of animals permitted, or other requirements such as spaying or neutering. Buyers should investigate whether Homeowner and Common Interest Associations have imposed restrictions on animals. Neighbors may have animals that can cause problems including but not limited to noise or odors. Common pets such as dogs can bark, cats are not easily contained, and in some cases more unusual animals (e.g. poultry, exotic birds, and reptiles) may create issues that impact the value, use and enjoyment of the Property.

California is home to a wide variety of animals, birds, reptiles and insect life, including but not limited to ants, bedbugs, bats, rodents, snakes and larger wild animals such as mountain lions and deer, some or all of which may enter or inhabit the Property and may be difficult to eliminate or control. These creatures can damage landscaping, might be a hazard to people, pets or other animals and may cause issues that impact the Buyers' use and enjoyment of the Property. Proximity to rural or open space areas increases the likelihood of this problem. Buyers should investigate these issues with licensed professionals, including local animal/pest control companies, and/or other qualified agencies or organizations during Buyers' inspection period.

21. ARCHITECTURAL AND CONSTRUCTION PLANS: Property owners often have architectural/ construction plans and renderings, whether or not those plans were ever approved or used for any purpose. These plans and drawings do not "run with the land" even if the plans were used to build existing structures and even if they are on file with the local planning department. In most situations, Seller's contracts with the architect specify that the plans remain the possession of the architect; the Seller is granted a limited "non-exclusive license" to use that material. Thus, Sellers generally do not have the legal right to advertise, sell or give that documentation to Buyers without the express written authorization of the architect who in all likelihood has copyrighted the plans. Buyers who want to use the Sellers' plans and drawings for any purpose should contact the creator of the plans directly for authorization to use that material.

C. FEDERAL, STATE AND REGIONAL CONDITIONS ADVISORIES

- 22. <u>UNSTABLE HILLSIDES</u>: Many hillside properties are active and potentially active landslide areas. Many of the geologic forces which have shaped California over the eons are still active today. The only way to determine the nature of the soil and bedrock under a structure, and how these forces may affect those structures, is with a geologic or geotechnical inspection and report.
- 23. <u>EXPANSIVE SOILS</u>: Some parts of Alameda County have expansive, or adobe, soil which will expand and contract with the wet and dry seasons. This expansion and contraction can cause movement or shifting of structures and their foundations.
- 24. <u>HIGH WATER TABLES</u>: Some parts of Alameda County have high water tables that can intensify mold growth and compromise the stability of soil and/or foundation. In addition, high water tables may affect the use and enjoyment of the surrounding land, particularly during months of heavy rain. Buyers should consult the appropriate experts to help evaluate the effect of high-water tables on the subject property and, when necessary, consider drainage modifications to protect the structure and improve the use and enjoyment of the surrounding landscape.

Some real property in Alameda suffers from drainage and soils issues, which can lead to settlement affecting the structural integrity of the property. Occasional heavy rains, high water tables, and variations in yard elevations, can also cause standing water and poor drainage. Buyers should consult with appropriate experts regarding any concerns. Buyers are also referred to the City of Alameda at (510) 747-4700.

Reports from Natural Hazard Disclosure (NHD) companies may not contain all information from all sources regarding the Property and surrounding conditions and cannot be relied on for all information regarding natural hazards which may affect the Property. Brokers recommend that Buyers have any Property they are purchasing inspected by a qualified geologist, geologic or geotechnical engineer, or other qualified professional.

- 25. WET WEATHER CONDITIONS: At times, this area may have months with heavier than usual rainfall. During these times, hillside properties may be susceptible to earth movement and drainage problems. Properties on flatlands may be susceptible to flooding. Properties which may not have experienced water intrusion into or under the property in the past may experience these conditions as a result of weather-related phenomena. Sellers are obligated to disclose to Buyers those material defects or conditions known to them which affect the value or desirability of the property; however, not all Sellers may be aware of recent changes in the conditions of the property or its improvements caused by unusually wet weather. Because of these factors, it is recommended that, in addition to a home inspection, Buyers have such additional inspections by inspectors or engineers regarding these conditions as Buyers may desire.
- 26. CLIMATE CONDITIONS: The Alameda area exhibits several micro climates. Buyers are advised that these areas are subject to frequent strong winds, wind-driven rain, fog and mist, and direct sunlight, any of which, alone or in combination, can impact the condition of the land as well as prematurely age the interior and exterior of structures. Erosion, warping and cracking of surfaces, failed seals on dual-paned windows, loss of roof shingles, and water intrusion, among other problems, are not uncommon with such properties, and thus these properties require regular, thorough maintenance. In particular, properties located near sources of water, such as the Bay, rivers and streams may require additional, more thorough maintenance. Buyers are advised to fully investigate these conditions and to determine for themselves the cost of any increased maintenance and repairs that may be needed for any Property located in these areas.
- 27. PERMIT ISSUES: An improvement that is made without the required permit can, among other things, have a negative impact on value, require a retrofit, impact habitability, preclude insurance coverage and/or result in fees, penalties, government and/or civil enforcement actions. One such example would be where a second living unit (an accessory dwelling unit "ADU") is being rented by the Seller but the required permit was not obtained for this ADU. In some cities, there may be a lower standard applied in those circumstances where the property owner is obtaining the permits, as opposed to a contractor doing so. Obtaining and finalizing permits may trigger additional retrofit requirements that are not required as a condition of sale. Examples include but are not limited to water conserving plumbing fixtures and safety devices to prevent drowning of small children in pools and spas. See Paragraphs 34 and 35.

Permit inspection periods in the City of Alameda can take at least two or more weeks to be completed. To prevent any delays to escrow and prevent any possible monetary loss, plan accordingly for the automatic gas shutoff valve requirement, EBMUD PSL testing, etc. signoffs. For more information, contact the Alameda Community Development Department (510) 747-6800.

28. NONCONFORMING USES, ROOMS, ALTERATIONS OR ADDITIONS: Any rooms, alterations or additions to the Property which were done without necessary permits or certificates of completion ("nonconforming improvements") may be subject to fines, permit and construction costs, and other expenses to bring into conformity. Nonconforming improvements may be subject to removal by local building inspection and code enforcement agencies. Nonconforming rental units may be required to be vacated and possibly torn down. It may not be feasible to legalize nonconforming improvements because of zoning, permit and/or other legal or regulatory limitations. Some building inspection and code enforcement agencies may conduct random inspections of properties for permit, code and other violations while the Property is being marketed. Such nonconforming improvements may also be discovered when anyone applies for a permit to do work on the property either before or after escrow closes. Whenever nonconforming uses are discovered, the then-current Owner could face expensive repairs, permit fees and other costs and/or even removal of the nonconforming improvement.

While Sellers are obligated to disclose any known nonconforming improvements, Seller may not be aware of some or all illegal improvements or uses especially those that were made prior to Seller's Ownership of the Property. Real estate brokers and agents are not required by law to inspect public records and cannot determine the legal status of improvements based solely on their required visual inspection of the property. Thus, Buyers are strongly urged to investigate possible nonconforming improvements by personally contacting the local building

inspection and code enforcement agencies as well as obtaining the advice of contractors, architects, engineers or other professionals regarding the status and condition of the Property prior to removing the investigation and inspection contingencies.

- 29. BALCONIES/DECKS INSPECTION AND RETROFIT REQUIREMENTS: Effective January 1, 2019, state law requires an Owner of multi-family buildings with 3 or more dwelling units to conduct an inspection of and make any necessary repairs to exterior decks, balconies and other components that are elevated more than 6 feet above the ground. The inspection must be completed by January 1, 2025 and will require subsequent inspection by January 1st of every six years thereafter. The purpose of the inspection is to determine whether the decks, balconies, and exterior elevated elements and their associated water proofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay or improper alteration. State law requires that the inspection be performed by certain qualified professionals. The law sets forth timelines for the completion of the report, delivery to the Owner, and completion of any repairs or replacement. Fines, penalties and/or liens on the property can be imposed for non-compliance with this law. State law allows cities and counties to enact their own regulations which may be stricter than the state requirements. including but not limited to extending the inspection and repair requirements to other exterior components, such as landings, exit corridors, stairway systems and other elements to determine if these structures are in safe condition, in adequate working order and free from hazards, dry rot, fungus, deterioration, decay, improper construction or hazardous conditions. Buyers are strongly urged to investigate possible inspection and retrofit requirements by personally contacting the local building inspection and code enforcement agencies as well as additional licensed professionals regarding the status and condition of any building components at the Property prior to removing any investigation contingency.
- 30. SEISMIC RETROFITTING/SOFT-STORY BUILDINGS: Some cities, such as Oakland, are in the process of enacting strict seismic retrofit requirements to minimize significant property damage and loss of life in the event of an earthquake, while other jurisdictions, such as the City of Alameda, are maintaining lists of potentially unsafe properties. One type of structure that is prone to substantial earthquake damage is a multi-story wood-frame building supported by slim columns with garages or storefronts underneath; many of these structures collapsed in the 1989 Loma Prieta earthquake. All soft-story buildings may need to be upgraded, not as a condition of sale but over time. Buyers are strongly urged to investigate possible inspection and retrofit requirements by personally contacting the local building inspection and code enforcement agencies as well as licensed professionals regarding the stability of soft-story buildings prior to removing any investigation contingency. Buyers are also encouraged to review the state pamphlet The Homeowner's Guide to Earthquake Safety; Brokers have no expertise in determining structural integrity or the need for any retrofitting.
- **31.** <u>HISTORIC RESOURCES</u>: Some towns, including Fremont, Pleasanton and Union City, have enacted ordinances to preserve and protect certain properties or areas that have been deemed to be of historical significance. Real estate brokers are not qualified to identify the legal or practical effect of any historic designation. Buyers should investigate these issues with the local planning department.
- **32.** <u>UNDERGROUND UTILITIES</u>: Some towns and cities have begun the process of burying utility lines underground in order to remove the utility poles in the neighborhood. These projects can result in special tax assessments and set-up costs for the individual homeowners. It is recommended that Buyers investigate this issue with Pacific Gas and Electric Company ("PG&E").
- 33. CRIME: Crime is a fact of urban life and some areas experience more crime than others. Crime statistics for various areas and municipalities may rise and fall over time; the incidence of various types of criminal activity may also increase or decrease. Local law enforcement may target designated areas for special but temporary enforcement measures. Individual criminal acts may occur in any neighborhood or may occur close to a property that is being sold while other criminal acts may occur far away. Some crimes may be reported in the news while others are ignored by the media. Because of the ever-changing information regarding crimes, neither Seller nor brokers will independently investigate crime or criminal activity in the area of any property by any means including, but not limited to, contacting the police or reviewing any internet data bases. If criminal activity is a factor in the decision to purchase a particular property, or in a particular neighborhood, Buyers are urged to check with the local law enforcement agencies and online information, prior to removing their investigation contingency.
- **34. WATER-CONSERVING PLUMBING FIXTURES:** Existing law calls for installation of water-conserving plumbing fixtures when the existing plumbing fixtures are "noncompliant" by certain dates, as discussed here. A

noncompliant plumbing fixture means: (1) any toilet manufactured to use more than 1.6 gallons of water per flush; (2) any urinal manufactured to use more than one gallon of water per flush; (3) any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute; and (4) any interior faucet that emits more than 2.2 gallons of water per minute. There are various dates for compliance:

SINGLE-FAMILY RESIDENCES: Under this law, a condo, even a single condo occupied by only one family, is not a single-family residential property. As of January 1, 2017, all single-family residences built prior to January 1, 1994 must comply with this law by replacing all noncompliant plumbing fixtures whether or not the property is being remodeled or sold.

Sellers must disclose to Buyers, in either the Seller Property Questionnaire (SPQ) or the Exempt Seller Disclosure (ESD) form, if Sellers are aware of whether the Property has any noncompliant plumbing fixtures. If a Seller answers "No" to that question, Buyers should not assume that the Property is fully compliant since the "No" response may merely mean that Seller is unaware or is uncertain as to whether or not any such fixtures are noncompliant. For this reason, as a part of their property inspection of Properties subject to this law, Buyers are urged to have all plumbing fixtures inspected by a qualified professional to determine whether all plumbing fixtures are actually compliant with this law.

Sellers and Buyers are advised to determine, prior to contract acceptance, which Party will be responsible for the cost of the water-conserving plumbing fixtures retrofit.

MULTI-FAMILY AND COMMERCIAL PROPERTIES: All multi-family and commercial properties must comply with this law by replacing all noncompliant plumbing fixtures. Sellers will need to disclose to the prospective Buyer if Seller is aware of the existence of any noncompliant plumbing fixtures at the property.

For rental property, compliant plumbing fixtures shall be installed and operating at manufacturer's rated water consumption at the time a tenant takes possession.

35. POOL AND SPA SAFETY: Commencing January 1, 2018, all home inspection reports used in the sale of a single-family residence, <u>must</u> indicate whether or not a Property with a pool and/or spa has any of the 7 drowning prevention safety features described in Health & Safety Code Section 115925. Neither home inspectors nor Buyers and Sellers can agree to waive this requirement if there is a home inspection report but the new law does not obligate Sellers or Buyers to obtain a home inspection report. Real estate professionals are not obligated to and are not gualified to determine if the Property meets current safety requirements.

Although it is important to have appropriate safety measures in place to prevent drowning of small children, this law is not a retrofit requirement that must be completed as a condition of sale. At the time that a single-family residence is altered or improved, the installation of 2 pool/spa safety features must be a condition of final permit approval. Therefore, Sellers and Buyers are advised to determine, prior to contract acceptance, which Party will be responsible for the cost of adding any required pool/spa safety features.

- **36. GARAGE DOOR SAFETY REQUIREMENTS:** Effective July 1, 2019, in addition to existing safety standards regarding automatic reversing device standards, all new automatic garage doors openers sold or installed in California must have a battery-operated back-up system to function during electrical outages.
- 37. REAL PROPERTY TAXES, ASSESSMENT DISTRICTS AND VACANT LAND: The Purchase Agreement addresses payment of real property taxes and assessments relating to the Property. As part of their negotiations for the Purchase Agreement, the parties may decide how to prorate such taxes and assessments; payments on bonds and assessments and their assumption by Buyers; and payment on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien on the Property.

Some cities, such as Oakland, have imposed and others are contemplating imposing an annual tax on vacant property. Vacant land and developments are subject to imposition of different fees in different jurisdictions, usually based upon the type of vacant property and/or the length of time the land is left vacant. Unpaid fees can become a lien on the property. Buyers should determine the extent of any unpaid fees and other restrictions by contacting the relevant jurisdiction because Sellers may not be aware of all taxes and/or liens. Real estate brokers and agents are not qualified to make these determinations.

38. RENTAL PROPERTY, RENT CAPS & JUST CAUSE EVICTION: Effective January 1, 2020, with certain exemptions, California law limits the amount of rent increases that can be made by Landlords during any 12 month period of time and establishes "Just Cause" requirements for evicting Tenants who have continuously and lawfully occupied the Property for 12 months or more. This state law establishes criteria and procedures for At-Fault Just Cause Evictions, No-Fault Just Cause Evictions as well as Tenant payments for No-Fault Just Cause Evictions. Existing and future local ordinances may also apply to the frequency and amount of any rent increases as well as the ability to evict Tenants depending upon whether or not the local law is more restrictive on the Landlord than the state law.

Effective July 1, 2020, Landlords must disclose, in writing, to all Tenants, whether the Property is exempt from the Rent Cap and Just Cause Eviction requirements. Although renting out a single-family home is generally exempt from local rent control measures under state law, renting out individual rooms in a single-family home to different Tenants is not exempt from local rent control and eviction ordinances.

Multiple jurisdictions in Alameda County have enacted their own ordinances controlling the ability of property Owners to increase rents, evict tenants and the degree to which the Tenant must be compensated for their relocation expenses. Brokers cannot determine whether local ordinances or state regulations will or will not apply to any given Property or apply to any given Tenant. Therefore, if property Owners have questions regarding these issues, they should consult with an Attorney who specializes in Landlord-Tenant law in Alameda County. In particular, Sellers and Buyers of tenant-occupied property should consult with their own Local Landlord-Tenant Attorney to determine the legal viability of entering into an agreement that the Property shall be vacant prior to, or at any time on or after the Close of Escrow.

39. GENERAL RENTAL PROPERTY ISSUES AND FAIR HOUSING: Landlords must provide Tenants with various state and local disclosures and advisories and comply with all other regulations. Landlord noticing requirements include, but are not limited to, disclosing if the Property is exempt from rent control (see Paragraph 38), notifying potential and actual Tenants of any local No-Smoking Ordinance (see Paragraph 51) providing all Tenants with a statutory flood hazard disclosure and a bedbug notice. Landlords must also comply with other regulations, such as eradicating bedbugs, to make the property safe for habitation.

Buyers intending to use some or all of a Property for rental purposes should investigate all rental property issues with appropriate governmental authorities, the relevant HOAs, and a Local Landlord-Tenant Attorney during Buyers' inspection/investigation contingency period, if any. Brokers are not qualified to provide legal advice and they are not qualified to determine which Landlord-Tenant laws apply to any given Property or Tenancy.

The California Department of Fair Employment and Housing ("DFEH") has issued regulations that became effective on January 20, 2020 for housing providers, Landlords and property managers which expand the categories of protected classes or "bases". For example, Landlords cannot discriminate against a prospective Tenant based upon their source of income, including, but not limited to, Tenants who get Section 8 or other types of government housing choice vouchers. The Fair Housing Laws also limit use of criminal records in the Tenant selection process. The blanket use of criminal records to refuse to rent can be a Fair Housing violation under state law and some jurisdictions prohibit a Landlord from running a criminal background check on prospective Tenants, such as the City of Oakland under their Fair Chance Housing Ordinance. It is important to recognize that illegal Discrimination does not have to be intentional to constitute a violation of the Fair Housing Laws if it results in a "disparate impact" on people in any of the protected bases. Landlords are urged to consult with a local Landlord Tenant Attorney regarding the criteria that can legally be used in the Tenant selection process.

When rental properties are offered to the public, the Owner and real estate agent must act in compliance with all federal and state Fair Housing laws and regulations including, but not limited to, providing unrestricted access to potential Tenants with Assistance Animals (defined in California as including both service animals and support animals). Landlords are required to provide a "reasonable accommodation" for Tenants with disabilities; reasonable accommodations include allowing the Tenant to occupy the rented residence with an Assistance Animal regardless of any "no pet" policy that may otherwise apply. The Landlord may not charge a "pet deposit" or otherwise charge the Tenant for having an Assistance Animal in any manner that is different from a Tenant without such an animal. Any Owner renting their property should consult with a local Landlord-Tenant Attorney who specializes in Fair Housing issues for advice on any matters related to Fair Housing and Assistance Animals.

State law prohibits Landlords from refusing to rent to Tenants who intend to operate a day care facility; a residence with up to 14 children is deemed to be a legitimate residential use.

Several HOAs already have or are considering imposing restrictions on new Owners who intend to rent out some or all of their Property which may differ from rules for existing Owners in an effort to limit the percentage of non-Owner-occupied units which can impact the ability to obtain financing.

Although state law encourages construction of secondary housing units (an accessory dwelling unit "ADU" or "in-law unit") and prohibits HOAs from unreasonably restricting building an ADU on an Owner's separate interest, the ability to construct those units and/or to rent those units to Tenants is still subject to local jurisdiction regulations and approvals. If Buyers intend to construct or use secondary units for rental purposes, they should investigate the financial and legal feasibility of those improvements and uses with appropriate experts during Buyers' inspection contingency period, if any. Brokers are not qualified to make those determinations.

Buyers who intend to use some portion or all of the Property for any type of rental purposes should contact the relevant City or County to ascertain all governmental requirements that impact the ability to use the Property for rental purposes, including. but not limited to, rent control and eviction requirements, any special permits, business taxes and licenses to use a property for rental purposes, inspections, retrofit or disclosure obligations, prior to removing any inspection contingencies. See, for example, **Paragraphs 27, 29, 34, 38 and 49.**

40. SHORT-TERM AND VACATION RENTALS: With the increased popularity of short-term and vacation rental services and websites such as Airbnb and VBRO, various local governmental entities and homeowner associations ("HOA") have enacted, or are considering enacting, regulations on the ability of Owners to rent out some portion or all of their property on either a short-term or long-term basis. Existing and proposed regulations may include a complete prohibition against certain types of rentals, licensing, permit requirements, special health and safety inspections, taxation and/or restrictions such as a limitation on the number of nights per month, total number of renter occupants, parking requirements and noise restriction. Renting out one's property may also be impacted by subdivision and HOA Covenants, Conditions, and Restrictions ("CC&R's"). In some areas, the HOA and/or governmental entities are classifying short-term and vacation rentals as constituting the running of a business out of a residence which is often prohibited in CC&R's and/or requires approval of a home occupation permit from the local governmental entity.

Neither Sellers nor Brokers can predict if, or when, any jurisdiction or HOA will adopt regulations, limitations or prohibitions on rentals in the future. Buyers who are considering using some portion of or all of their property for short-term or vacation rentals are strongly encouraged to investigate current and pending governmental and/or HOA rules and regulations related to rentals, insurance coverage, and the existence of taxation such as a Transient Occupancy Tax ("TOT") and to review that documentation with a qualified California real estate attorney as well as their own insurance broker prior to the Close of Escrow.

- 41. <u>PUBLIC SERVICES</u>: Public services (schools, fire, law enforcement, emergency response, etc.) may have been impacted by financial difficulties which can lead to changes in the level of service. In addition, each school district has its own rules regarding school assignments, and these rules may change at any time with little notice. For these reasons, Brokers cannot represent or guarantee that anyone who resides in any particular property will be able to attend any particular school or school district. If Buyers have any concerns regarding the quality and/or financial viability of public services, Buyers should investigate to their satisfaction prior to removing any applicable contingencies.
- 42. NEW CONSTRUCTION WARRANTIES, DEFECTS AND LAWSUITS: The Real Estate Transfer Disclosure Statement ("TDS") requires Sellers to disclose if there are any lawsuits by or against the Sellers threatening or affecting the real property along with questions related to construction defects, citing Civil Code Sections 900, 903, 910 and 914. These codes are part of a law that is often referred to as SB800 or Title 7, which generally applies to residential real property built by a "Builder" (as defined in Section 911) and sold for the first time after January 1, 2003. Section 900 provides for a limited one-year warranty from the Builder and Builders may provide "enhanced protection agreements" which may extend the warranty period. Homeowners are required to follow all reasonable maintenance obligations and schedules communicated in writing by the Builder and product manufacturers, as well as commonly accepted maintenance practices. Failure to do so may provide a defense

against a homeowner claim and Builders often require specific pre-litigation procedures and remedies in the event of a claim against the Builder. Sellers who have questions about how to answer this TDS question should consult with a California real estate attorney for advice. If the Sellers disclose any lawsuits or claims, Buyers should investigate such disclosures with a California real estate attorney. Brokers are not qualified to provide advice on these matters.

- 43. PRIVATE ROADS: If the property is assessed or affected by a private road that is shared with one or more other properties, Buyers need to determine the existence of a recorded private road maintenance agreement and compliance with that document. If no such agreement exists, Civil Code Section 845(s) provides that "the cost shall be shared proportionately to the use made of the easement by each owner." Buyers should contact city/county officials and/or their attorney to evaluate their potential responsibilities.
- 44. MARIJUANA (CANNABIS): Effective January 1, 2018, California has legalized certain uses of cannabis; however, this new statewide law requires local cities and counties to enact their own regulations regarding where cannabis can be used as well as the requirements for the issuance of permits and licenses prior to anyone cultivating, distributing and/or selling cannabis. Those regulations may include but are not limited to an inspection of the property and/or a determination as to the availability of water and other resources to grow cannabis. However, there are still federal laws which may make those activities illegal and the federal government's ability to enforce its stricter restrictions in states such as California is still possible.

If Buyers are intending to purchase property that has been used for cultivation, distribution and/or sale of cannabis or if Buyers are intending to purchase property for those same purposes, Buyer should consult with a local, qualified California real estate attorney who has expertise in this area of the law. Cultivation or storage of marijuana may cause damage or alteration to the Property which may not be visibly apparent. Brokers are not qualified to make any determinations regarding these issues.

State law allows landlords to prohibit/regulate smoking of marijuana in or on the Landlord's property as well as to allow landlords to prohibit the cultivation, distribution and sale of marijuana for any purpose. Some HOAs may impose their own restrictions on these activities as well. Thus, simply because the state has legalized cannabis should not be interpreted as eliminating any local restrictions on the cultivation, distribution, selling and/or use of cannabis.

D. COUNTY AND CITY ADVISORIES

- **45.** <u>NOISE FROM TRANSPORTATION SYSTEMS</u>: There are several airports in and around Alameda County that may create a certain level of noise and have flight patterns that are subject to change. For more information on a particular airport contact:
 - Livermore Airport, 636 Terminal Cir., Livermore, CA (925) 960-8220
 - 63CN Livermore, CA (925) 606-1536
 - Hayward Executive Airport, 20301 Skywest Dr., Hayward, CA (510) 293-8678
 - Little Hands Airport, 18320 Bollinger Canyon Rd., San Ramon, CA (415) 837-8981
 - Oakland International Airport, 1 Airport Dr., Oakland, CA (510) 563-3300

There are several commuter and freight rail lines (including but not limited to BART) that run through both the incorporated and unincorporated parts of Alameda County. Buyers need to assess for themselves whether or not the level of noise is personally satisfactory during the investigation contingency period.

46. <u>SAN FRANCISCO BAY REGULATIONS</u>: The San Francisco Bay Conservation and Development Commission ("BCDC") is charged with the responsibility of restoring Bay wetlands and marshes, preventing wetlands and mudflats from being filled, and supporting the continued and productive use of salt ponds. Properties abutting San Francisco Bay, its tidelands and marshes, may be subject to the jurisdiction of the BCDC which may limit building, and impose other requirements on property Owners. Buyers of such property are urged to contact BCDC at (415) 352-3600.

- 47. <u>FLOOD BENEFIT ASSESSMENT</u>: The Alameda County Flood Control and Water Conservation District levies benefit assessments to help finance flood control operations. These assessments are proportionate to the runoff from each parcel of land. The program applies to all of Alameda County with the exception of the Cities of Albany, Berkeley, Alameda, Piedmont, and the Zone 7 area east of the hills (Livermore-Amador Valley). For more information, contact the Assessor's Office: (510) 272-3787.
- 48. SPARK ARRESTORS: As of the date of this Advisory, the cities of Dublin and Pleasanton have enacted ordinances requiring that properties with fireplaces be fitted with spark arrestors at the time of a sale. Dublin also requires that Seller deliver to Buyer a written statement indicating that the Seller is in compliance with the ordinance. (Dublin Ord. 37-87 § 1 (b)) Other cities may also enact such ordinances. For more information on a particular city's requirements, contact the local Building Department or Fire Chief.
- 49. <u>RESIDENTIAL RENTAL UNIT FEE</u>: Various cities and municipalities charge Landlords a residential Rental Unit Annual Business Tax License Fee and/or Rental Program Fee. The County and/or other cities may enact comparable requirements. The fee may be imposed after escrow closes and the amount or calculation of these fees can change. Please contact the city in which your rental property is located to determine if such fees are charged and for the most current list of such fees since fees are subject to change at any time.
- 50. <u>HVAC/DUCTING</u>: The California Energy Commission issued New Duct Sealing Requirements in 2005. Depending upon certain conditions and the Property location, if a central air conditioner or furnace was installed or replaced after October 1, 2005, the ducts must be tested for leakage. If the ducts leak 15% or more, then repairs must be made to seal the ducts. Additional testing may then be required to verify that the work was done properly. It is strongly recommended that all of this work be done by licensed contractors who should obtain all required permits. Only a contractor who has specialized knowledge regarding HVAC systems can determine whether or not the ducts must be sealed. While portions of Alameda are exempt from this requirement, only a review of the official map of the California Energy Commission can determine whether a particular property is exempt. See Map for applicable Climate Zones at: https://www.energy.ca.gov/data-reports/energy-maps-california.
- 51. NO SMOKING ORDINANCES: To protect public health, guarantee the right of nonsmokers to breathe smoke-free air, and to protect the environment, some cities, such as Alameda and Berkeley, have enacted No Smoking Ordinances banning smoking in some or all public places and/or in multi-unit residences (usually defined as being more than 1 unit which is a personal dwelling space whether or not there are cooking facilities, such as renting out a room in a home). Local ordinances may require that disclosures about this issue must be included in purchase contracts and/or leases and these ordinances may change over time. Brokers have no expertise on these issues.

52. SEWER LINE INSPECTION AND COMPLIANCE:

NOTE: Private sewer lateral ("PSL") inspection and testing involves only the section from the building to the public sewer main that is usually in the street. Inspections to, and repairs of, PSL's do not cover other sewer lines in or under the property which are not a part of the PSL itself. These areas would need to be the subject of a separate inspection if desired and requested by Buyer. If the property is not serviced by EBMUD, contact the relevant wastewater entity.

a. EAST BAY MUNICIPAL UTILITY DISTRICT ("EBMUD"): The EBMUD Wastewater Control Ordinance requires property Owners in certain areas of the EBMUD wastewater service area to obtain a compliance certificate that shows their PSL's are without defects and have proper connections. The ordinance specifies three conditions which require property Owners to test and, if needed, repair or replace their private sewer laterals: (1) prior to selling the property; or (2) when obtaining any permit for the construction or modification of the property estimated to be greater than \$100,000; or (3) when increasing or decreasing the water meter size.

A property is exempt if the PSL is less than 10 years old and was fully replaced before August 2011, and the Owner provides evidence of the replacement work and date performed.

Responsibility for repairs can be negotiated between Buyer and Seller. If repairs cannot be completed prior to Close of Escrow, a property owner may apply to EBMUD for a 180-day Temporary Waiver and pay a fee.

Vacant Land: As part of the sale of vacant land within EBMUD with NO sewer lateral, an exemption certificate must be filed. However, for vacant land that HAS an old sewer lateral (such as a fire lot in the Oakland Hills):

- i. At point of sale, Buyer would need to file for the 180-day compliance extension.
- ii. Buyer would then need to make the decision as to how soon they will be building on the property.
- iii. If building immediately, compliance may be delayed as part of the building and permit process.
- iv. If not building immediately, Buyer would need to abandon or disconnect the sewer lateral from the main and obtain a certificate of abandonment from EBMUD.

For detailed and current information on a Property's compliance status, and the inspection, repair, temporary waiver and/or certification process, Sellers and Buyers are urged to go to the EBMUD/PSL site or contact the local municipality that controls the Private Sewer Lateral ordinance for the Property. Most municipalities that control the Sewer Lateral ordinance follow the guidelines set by EBMUD. For more information on the inspection, repair, temporary waiver and/or certification process, contact EBMUD or view the information online at http://www.eastbaypsl.com/eastbaypsl/.

- **b. CONDOMINIUMS AND CID'S DEFERRED:** (For Cities such as Alameda, Albany, El Cerrito, Emeryville, Kensington, Oakland, Piedmont, Richmond Annex and possibly others) Condominiums and other Common Interest Developments with a Homeowners' Association ("HOA") are generally excluded from bringing s PSLs into compliance, whether individual or shared laterals, until July 12, 2021 BUT ONLY if the HOA is legally responsible for maintaining the Sewer Laterals. There are several exceptions to this rule:
 - Any Common Interest Development without an HOA does NOT have a deferral for Sewer Lateral compliance.
 - If the Homeowner is legally responsible for maintaining the Sewer Lateral, compliance is NOT deferred.
 - If the Homeowner is responsible for the Sewer Lateral associated with their unit and the HOA is responsible for any shared laterals, there may be NO deferral for the Sewer lateral associated with the individual unit.

Prospective Buyers should contact the HOA directly to determine responsibility for the Sewer Laterals, whether the appropriate Notice of Responsibility has been filed with EBMUD for each unit sold, and whether adequate reserves are available to make any necessary repairs.

- **53. REAL ESTATE DEVELOPER AND REHABILITATION OF REAL ESTATE**: Every person in Alameda County engaged in the business of developing or rehabilitating and selling real property in which said person has equity, interest or title, and not specifically taxed by <u>Section 3.04.350</u> or other provisions of this chapter, shall pay a business tax which is calculated based upon permit value used for building permits within the unincorporated areas of the county. These taxes are subject to change at any time. For more information, visit: <u>Real Estate Rehabilitation Ordinance</u>.
- 54. <u>SIDEWALK REPAIR PROGRAMS</u>: The Alameda County Sidewalk Repair Program currently only applies to single-family residential units in the following communities within County Planning Area 2: Ashland, Castro Valley/Fairmont, Cherryland, Unincorporated Hayward/Fairview, and San Lorenzo/Royal Sunset. Funded through Measure B, this program currently reimburses 50% of the sidewalk repair cost per property (up to a maximum of \$750) for sidewalk-related repairs to the frontage of a single-family dwelling Homeowners residing in San Lorenzo may be eligible for additional assistance through Redevelopment funds, however the costs are subject to change at any time. For more information contact the Public Works Agency: (510) 670-5500.

Some cities, such Berkeley and Piedmont, have their own sidewalk repair or inspection requirements. See **Paragraphs 56a and 60b** below. Effective July 9, 2019, Oakland, has enacted a Sidewalk Repair Ordinance which is a governmental retrofit requirement that is a condition of sale. For more information about the Oakland Sidewalk Repair Ordinance, Sellers and Buyers are encouraged to carefully review the Bridge Association of REALTORS® *Advisory Regarding the City of Oakland Point of Sale Sidewalk Repair Ordinance*. The City of Oakland's information can also be accessed online at https://www.oaklandca.gov/resources/city-sidewalk-policies.

55. ALAMEDA CITY ORDINANCES AND DISCLOSURES:

a. SECONDHAND SMOKE ORDINANCE: The City of Alameda limits exposure to secondhand smoke in places of employment, public places and multi-unit housing (defined as two or more units). Smoking is prohibited inside the units of all rental and common interest complexes (condos, co-ops, PUDs). Additional information is available

from the City of Alameda at (510) 747-4700 or online at: https://www.alamedaca.gov/RESIDENTS/City-Tobacco-Ordinances.

- b. BUILDINGS CONSTRUCTED PRIOR TO 1942 AND/OR DESIGNATED HISTORICAL SITES: Any Property constructed prior to 1942, as determined by City of Alameda records, may not be demolished or removed without the approval of the Historical Advisory Board. Further, some properties have been deemed to have historical merit and have been placed on the Historical Building Study List. Restrictions on modifications or repairs to these properties can apply. For more information, contact City of Alameda Community Development Department at (510) 747-6850, or Buyers may consult with a property historian.
- c. SOFT STORY ORDINANCE: Multi-unit residential apartment and condominium buildings with five (5) or more residential units, containing a soft, weak, or open front ground floor, may be designated as potentially hazardous in the event of an earthquake. The City of Alameda has identified and maintains a list of such properties. Buyers should contact the City of Alameda Community Development Department to determine if the property is on the Soft Story list and what further action is required. For more information contact the City of Alameda Community Development Department at (510) 747-6850. It is recommended that Buyers investigate the status of permitting and zoning with the City of Alameda Community Development Department, (510) 747-6850.
- **d. BAY FARM ISLAND RECLAMATION DISTRICT:** Homes located in Harbor Bay Isle may have fees assessed by the City of Alameda for maintenance. For more information, contact City of Alameda Community Development Department at (510) 747-6850.
- **e. LEASED LAND:** Some properties located on the water are owned by the City of Alameda and leased to the owners. The property owners do not have ownership rights to this property. Buyer is advised to review the title report to confirm whether any land is leased and contact the City of Alameda, Economic Development Division at (510) 747-6890.
- f. ALAMEDA POINT AND PROXIMITY TO FORMER AND CURRENT MILITARY ORDNANCE LOCATIONS: Alameda Point and Coast Guard Facility at Coast Guard Island have been, or are currently, military ordnance locations (military training grounds which may contain explosives and/or hazardous wastes). For more information, contact the City of Alameda (510) 747-4700 or the United States Coast Guard at Coast Guard Island Administration at (510) 437-5371.
- **g. INDUSTRIAL ZONE:** Most Alameda Property is located within one mile of an industrial zone. Such zones may create nuisances including, but not limited to, noise, debris and dust. Buyers are encouraged to investigate the neighborhood where the property is located. For more information, contact the City of Alameda Community Development Department at (510) 747-6850.
- h. GAS SHUTOFF VALVES: The City of Alameda requires all buildings that have natural gas service shall have an automatic gas shutoff valve installed if either of the following situations exists: (a) the Property is being sold OR (b) The homeowner has been issued a permit for gas piping. For more information, contact City of Alameda Community Development Department at (510) 747-6850.
- **i. SCHOOLS:** To determine the location of the public school a student maybe attending, contact the administrative offices of the Alameda Unified School District (510) 337-7000.
- **j. PARKING ADVISORY:** Parking of vehicles both on and off street is governed by city code and/or homeowner's association rules and regulations. Parking could be restricted. Buyers should thoroughly review all documents related to parking. For more information, contact the City of Alameda Community Development Department at (510)747-6850 and if applicable, the appropriate HOA.
- **k. BEDROOM DEFINITIONS:** A property's number of bedrooms is subject to different and, at times, contradictory definitions. County tax records often indicate the number of bedrooms recorded in the county's tax assessor's office. Owners of a property may describe a room as a bedroom based on how it is used or could be used. There is no statewide definition of a bedroom but California Building Code provide minimum standards for "Sleeping Rooms." Discrepancies may be the result of an Owner performing work without permits. The City of Alameda's Community Development Department follows the California Building Code requirements. Buyers are advised to consult with the City of Alameda Community Development Department at (510)747-6850

- I. PRIVATE SEWER LATERAL: The Alameda Sewer Lateral Ordinance adopted by the City of Alameda considers sewer laterals replaced between 1988 and July of 2012 as valid for 25 years. Sewer lateral tests during this period were valid for 7 years. After July 2012, The City of Alameda considers a sewer lateral replacement valid for 20 years and a test valid for 7 years. Effective January 1, 2015, properties in Alameda are subject to the EBMUD Regional Private Sewer Lateral Program. Information about how properties in Alameda County can comply with the Program is available at www.EastBayPSL.com and at www.AlamedaCA.gov.
- 56. <u>BERKELEY REGULATIONS</u>: In addition to the following, Buyers should review the City's ordinances, including, but not limited to, rent control/eviction requirements, taxes, permits and licenses, as part of their investigation contingency, if any. All of Berkeley's ordinances, codes and regulations can be viewed at the City's website at https://www.cityofberkeley.info or by contacting the City: 2120 Milvia Street, Berkeley CA 94704 T: 510/981-7440
 - a. BERKELEY SIDEWALK REPAIR PROGRAM: Since October 2011, the City of Berkeley splits the cost of sidewalk repair with homeowners 50/50 regardless of the cause of deterioration. Property Owners are responsible for the full amount of repair if the sidewalk was damaged due to (i) intentional acts of property Owner; (ii) property Owner replaces the sidewalk independent of the City's Sidewalk Repair Program; or (ii) the sidewalk is the result of a new development or redevelopment project. To determine if any sidewalk in Berkeley requires repair, the general rule is that any breaks of more than ¾ of an inch should be reported. For more information on the City of Berkeley's Sidewalk Repair Program go to: https://www.cityofberkeley.info/Public_Works/Sidewalks-Streets-Utility/Sidewalk_Program.aspx.
 - b. BERKELEY BUILDING ENERGY SAVING ORDINANCE (BESO): BESO requires building owners and homeowners to complete comprehensive energy assessments to uncover energy saving opportunities. These assessments are conducted by registered energy assessors who provide detailed recommendations on how to save energy and link building Owners to incentives for energy efficiency upgrade projects. Unless exempt, BESO is required prior to sale of a house or whole building.

Exemptions Include: Buildings 600 square feet, or less than 25,000 square feet and individually sold units within a larger building, such as an attached condominium. For details on how to comply with BESO, see the **Berkeley Purchase Agreement Addendum**.

- 57. <u>LIVERMORE REGULATIONS</u>: A Report of Residential Building Records is required to be delivered to the buyer prior to the Close of Escrow. For more information about this requirement and other Livermore ordinances, go to the City's website: http://www.cityoflivermore.net/civicax/filebank/documents/6177/.
- 58. MEADOW BROOK VILLAGE ASSOCIATION: The City of Fremont has issued a Notice and Order to Abate Nuisance with respect to the Meadow Brook Village Common Interest Development ("CID"). The City of Fremont has identified several categories of code enforcement issues that may raise fire, life and safety concerns with the structural components of the structures and individual units within that CID. The Meadow Brook Village Homeowners Association ("HOA") has identified additional issues with respect to underfunded reserve accounts, deferred maintenance of structures, equipment and services that are located within the common area; the HOA has imposed an Emergency Assessment Payment on all units and additional assessments may be imposed in the future.

Buyers are strongly encouraged to review all documents maintained by the City of Fremont regarding this CID and to carefully review all documentation maintained by the HOA regarding these issues. Additional documentation regarding past, current and future problems as well as the potential repairs and remedies, cost estimates and other documentation may be in the possession of the HOA Board of Directors, the Developer, construction personnel and/or attorneys retained by the various parties involved in the development, construction and/or repair of the CID. Brokers have not and cannot investigate any or all off-site sources of potentially critical information. Brokers have not and will not verify the information in any documents provided to Buyers by anyone including but not limited to the Seller, the City of Fremont and/or by the HOA or its Board of Directors. Buyers should consider retaining their own construction and engineering experts to evaluate the CID and any unit in the CID as part of their investigation contingency, if any. Buyers who have any questions regarding the legal duties, rights and obligations of anyone who is or who may be involved in the issues described in **Paragraph 57** should consult with their own qualified California real estate attorney.

- **59.** OAKLAND REGULATIONS: The City of Oakland has enacted hundreds of regulations, some of which relate to property ownership and/or the ability to rent out some or all of a property. Oakland's regulations, taxes, licenses and fees may or may not apply to your particular Property; nonetheless, Buyers should review the City's ordinances as part of their investigation contingency, if any. A complete list of Oakland's ordinances, codes and regulations can be viewed at the City's website at: https://www.oaklandca.gov/; or by contacting Oakland's Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st Floor, Oakland, CA 94612, (510) 238-3611.
- 60. <u>PIEDMONT CITY ORDINANCES</u>: In addition to the following, the City of Piedmont has enacted various ordinances. Buyers should review all relevant Piedmont requirements on the City's website at: http://www.ci.piedmont.ca.us/ or by contacting the City at 120 Vista Avenue, Piedmont, CA 94611 Tel: 510/420-3040
 - a. OPEN PERMITS AND NON-PERMITTED CONSTRUCTION: The City of Piedmont maintains a "House File" for every Piedmont residence. While the City does not verify or guarantee the accuracy of the information contained in their files, Buyers of any Piedmont residence are encouraged to review the entire file during the Buyers' investigation contingency period, if any, to determine what existing work on the Property was done with or without permits and whether the permits are still "open." To review the House File and/or request a Permit History, Buyers should go to the Department of Public Works, 120 Vista Avenue, Piedmont. Further information can be obtained by contacting the Piedmont Department of Public Works at (510) 420-3050. No New Permits will be issued for construction, repair or remodeling on the property if any historical permits are still open. For general information about permits and non-permitted construction, see Paragraphs 27 and 28 above.

NOTE: Any Non-Permitted work at any time in the history of the property, and discovered by a City Official, likely will result in a Demand for Compliance by the Public Works Department regardless of when the Non-Permitted work was completed. The City Council can impose fines of up to \$1,000 per day up to a total fine of \$100,000 until the Property is brought into compliance. Buyers are encouraged to independently determine if there is any unapproved construction. Buyers should also investigate the availability of a retroactive permit compliance process. To determine if there is any unapproved construction, review the house file and request a permit history.

- b. SIDEWALK INSPECTION ORDINANCE: A City inspection of the condition of the sidewalk is triggered by a permit application, or an aggregate of permit applications in any year of \$5,000 or more, or upon sale of real property. If the sidewalks for a property are deemed in need of repair, the homeowner has two choices:
 - i. Hire a C-8 contractor licensed to work within the City of Piedmont or
 - ii. Pay the City on a per square foot basis to have a City Contractor repair the damaged sidewalk.

Failure to comply with this ordinance would result in the City of Piedmont performing repairs, billing the current homeowner, and placing a lien against the property.

E. SOURCES OF GENERAL INFORMATION:

CITY OF ALAMEDA: https://www.AlamedaCA.gov

2263 Santa Clara Ave, Room 380 Alameda, CA 94501 Tel: 510/747-4800 Alameda Rent Stabilization: http://www.alamedarentprogram.org/Policies

Police https://alamedaca.gov/police Tel: 510/337-8340

CITY OF ALBANY: https://www.albanyca.org/

1000 San Pablo Ave, Albany CA 94706 Tel: 510/528-5710

Police https://www.albanyca.org/departments/police-department Tel: 510/525-7300

CITY OF BERKELEY: https://www.cityofberkeley.info/ 2120 Milvia Street, Berkeley CA 94704 Tel: 510/981-7440 BERKELEY RENT CONTROL: https://www.cityofberkeley.info/rent/

2125 Milvia Street, Berkeley, CA 94704 Tel: 510/644-6128

BESO: https://www.cityofberkeley.info/beso/

Police https://www.cityofberkeley.info/police/ Tel: 510/981-5900

CITY OF EMERYVILLE: https://www.ci.emeryville.ca.us/ 1333 Park Ave, Emeryville CA 94608 Tel: 510/596-4300

EMERYVILLE JUST-CAUSE ORDINANCE: http://www.ci.emeryville.ca.us/1127/Eviction-Harassment

Police http://www.ci.emeryville.ca.us/123/Police

CITY OF OAKLAND: https://www.oaklandca.gov/ Tel: 510/596-3700 250 Frank Ogawa Plaza, Ste 5313, Oakland CA 94612 Tel: 510/238-3501

OAKLAND RENT CONTROL: https://www.oaklandca.gov/topics/rent-adjustment-program

250 Frank H. Ogawa Plaza, 5th Floor, Oakland CA 94612 Tel: 510/238-3721 **Police** https://www.oaklandca.gov/departments/police Tel: 510/777-3333

CITY OF PIEDMONT: https://www.ci.piedmont.ca.us/ 120 Vista Avenue, Piedmont, CA 94611 Tel: 510/420-3040

Police http://www.ci.piedmont.ca.us/police/index.shtml Tel: 510/420-3000

CITY OF SAN LEANDRO: http://www.sanleandro.org

835 East 14th Street, San Leandro, CA 94577 Tel: 510/577-3200

CASTRO VALLEY SANITARY DISTRICT: http://www.cvsan.org/PSL 21040 Marshall Street, Castro Valley, CA 94546 Tel: 510/537-0757

STEGE SANITARY DISTRICT: https://www.stegesan.org/7500 Schmidt Lane, El Cerrito CA 94530 Tel: 510/524-4668

WEST COUNTY WASTE WATER DISTRICT: https://www.wcwd.org/

2910 Hilltop Drive, Richmond, CA 94806 Tel: 510/222-6700

Other areas in Alameda and Alameda counties: http://www.co.contra-costa.ca.gov/ or http://www.co.alameda.ca.gov/. See office addresses on website.

F. ATTORNEY AND ACCOUNTANT RECOMMENDATIONS:

In addition to the professional service providers Buyers will retain to inspect and analyze the property being purchased or sold, a situation may arise during the course of Buyers' purchase transaction that requires Buyers to either make an important decision or select a plan of action that could result in significant legal consequences and substantial impact on Buyers' personal finances. The most prudent and best plan is to identify a certified public accountant and real estate attorney in advance of the sale or purchase of the property so that Buyers and Sellers can quickly contact and seek the proper financial and/or legal advice and guidance if needed during the transaction. If a 1031 exchange is contemplated, also contact an exchange accommodator to discuss the proper method and timing of the exchange.

G. THE PARTIES ACKNOWLEDGE THE FOLLOWING REGARDING BROKER:

- Broker does not warrant or guarantee the condition of the Property.
- Broker shall not be responsible for failure to disclose to Buyer facts regarding the condition of the property
 where the condition (i) is unknown to Broker or (ii) is not capable of being seen by Broker because it is in an
 area of the property that is reasonably and normally inaccessible to a Broker;
- Broker has not verified square footage, size of structures, acreage or boundary lines of the property; representations made by others; information received from public records, Seller or other third

parties; information contained in inspection reports or in the Multiple Listing Service, or that has been copied therefrom; or statements in advertisements, flyers or other promotional material; or any other matters described in this Disclosures and Disclaimers Advisory; unless otherwise agreed in writing;

- Broker does not guarantee, and shall not be responsible for, the labor or services or products provided by
 others to or on behalf of Buyers or Seller and does not guarantee, and shall not be responsible for, the
 quality, adequacy, completeness or code compliance of repairs made by Seller or by others;
- Broker does not decide what price Buyers should pay or Sellers should accept;
- Brokers are not qualified to give legal, tax, insurance or title advice;
- Brokers lack professional expertise in the areas listed above, and do not verify the results of any inspections
 or guarantee the performance or reports of any inspection or professional services; and
- Buyers and Sellers are advised to investigate and choose their own service providers to conduct
 investigations and advise them on these and all matters related to the sale and purchase of real
 property. In these and all other matters referred to in this Disclosures and Disclaimers Advisory,
- Buyers and Sellers are advised to seek any desired assistance from appropriate qualified professionals. Nothing any real estate licensee may say will change the terms or effect of this Advisory.

WIRE FRAUD SCAM ALERT

Recently there is a small but growing scheme in which Buyers and Sellers have received e-mails from their agent or an escrow company providing wire transfer information for money from Buyer to Escrow, or to Seller for proceeds from Escrow. Hackers intercept these e-mails and then alter the wire transfer instructions to re-direct the funds to the hacker's account with an off-shore bank.

DO NOT EVER WIRE FUNDS PRIOR TO CALLING THE ESCROW OFFICER AT THE NUMBER PREVIOUSLY PROVIDED TO YOU and confirming verbal wire transfer instructions before taking steps to have the funds transferred. If you have received questionable wiring instructions, notify your bank, real estate agent and the Escrow holder, as well as the FBI at https://www.ic3.gov/.

THE UNDERSIGNED ACKNOWLEDGE RECEIPT OF ALL 22 PAGES OF THIS ALAMEDA COUNTY DISCLOSURES AND DISCLAIMERS ADVISORY WHICH CAN BE SIGNED IN COUNTERPART

Dated:		
	Buyer	
Dated:		
	Buyer	
Dated:		
	Seller	
Dated:		
	Seller	

Page 22 of 22