



# Property I.D.

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# INVOICE

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**Escrow or Title Co.:**

KEVIN FOLEY  
CHICAGO TITLE  
675 NORTH FIRST STREET STE 300  
SAN JOSE, CA 95112

**Invoice #: 2322909101****Invoice Date: 2/4/2011****Escrow / File #:** 08-98050300-1TM**Ordered by:**

LEONETTE STAFFORD  
REALTY WORLD PEOPLE TO PEOPLE - MORGAN HILL  
17485 MONTEREY ROAD  
MORGAN HILL, CA 95037

**Site Address:**

8655 LEAVESLEY ROAD  
GILROY, CA 95020  
SANTA CLARA COUNTY  
APN: 898-34-002

Product Description	Quantity	Unit Price	Amount
Mandatory Disclosure Report	1	\$114.00	\$114.00
		Adjustments:	\$15.00
		Subtotal:	\$99.00
		Amount Paid:	\$0.00
		<b>Total Due:</b>	<b>\$99.00</b>

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- Include "Tear-Off" Remittance Stub with your payment
- Do not staple. Do not send cash

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**Thank You For Your Business**

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PLEASE DETACH AND SEND WITH REMITTANCE

**Invoice #:** 2322909101**Invoice Date:** 2/4/2011**Ordered by:**

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APN: 898-34-002

**MAIL PAYMENT TO:**

Property I.D.  
1001 Wilshire Blvd., Los Angeles, CA 90017

**Total Due: \$99.00**



## Mandatory Residential Disclosure Report

**PROUDLY MADE IN THE USA**

SUBJECT PROPERTY:  
8655 LEAVESLEY ROAD  
GILROY, CA 95020  
APN 898-34-002  
SANTA CLARA COUNTY

**A 100% California Jobs Company™**

PROPERTY I.D. PLAZA, 1001 WILSHIRE BL., LOS ANGELES, CA 90017

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**IMPORTANT NOTICE** *For the convenience of real estate agents, escrow officers, sellers and buyers, a disclosure receipt is provided herein. It is important that the recipient of the report acknowledge acceptance of the report by signing the receipt. Thereafter each party to the transaction may retain a copy of the receipt for their records.*

*When Printed by Property I.D. Corporation, three original copies of the report are issued for distribution to the parties involved in the transaction.*

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# NATURAL HAZARD DISCLOSURE STATEMENT AND DISCLOSURE REPORT RECEIPT

This statement applies to the following property: 8655 LEAVESLEY ROAD GILROY, CA 95020; SANTA CLARA COUNTY; APN# 898-34-002 Date: 2011-02-04 17:05:00

The transferor and his or her agent(s) or a third-party consultant disclose the following information with the knowledge that even though this is not a warranty, prospective transferees may rely on this information in deciding whether and on what terms to purchase the Subject Property. Transferor hereby authorizes any agent(s) representing any principal(s) in this action to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the property. The following are representations made by the transferor and his or her agent(s) based on their knowledge and maps drawn by the state and federal governments. This information is a disclosure and is not intended to be part of any contract between the transferee and transferor. THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZARDOUS AREA(S):

- A SPECIAL FLOOD HAZARD AREA** (Any type Zone "A" or "V") designated by the Federal Emergency Management Agency. Refer to Report.  
Yes  No  Do not know and information not available from local jurisdiction
- AN AREA OF POTENTIAL FLOODING** shown on a dam failure inundation map pursuant to Section 8589.5 of the Government Code. Refer to Report.  
Yes  No  Do not know and information not available from local jurisdiction
- A VERY HIGH FIRE HAZARD SEVERITY ZONE** pursuant to Section 51178 or 51179 of the Government Code. The owner of this property is subject to the maintenance requirements of Section 51182 of the Government Code. Refer to Report.  
Yes  No
- A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS** pursuant to Section 4125 of the Public Resources Code. The owner of this property is subject to the maintenance requirements of Section 4291 of the Public Resources Code. Additionally, it is not the state's responsibility to provide fire protection services to any building or structure located within the wildlands unless the Department of Forestry and Fire Protection has entered into a cooperative agreement with a local agency for those purposes pursuant to Section 4142 of the Public Resources Code. Refer to Report.  
Yes  No
- AN EARTHQUAKE FAULT ZONE** pursuant to Section 2622 of the Public Resources Code. Refer to Report.  
Yes  No
- A SEISMIC HAZARD ZONE** pursuant to Section 2696 of the Public Resources Code. Refer to Report.  
Yes (Landslide Zone)  Yes (Liquefaction Zone)  No  Map not yet released by state

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

Signature of Transferor(s) \_\_\_\_\_ Date \_\_\_\_\_

Signature of Transferor(s) \_\_\_\_\_ Date \_\_\_\_\_

Agent(s) \_\_\_\_\_ Date \_\_\_\_\_

Agent(s) \_\_\_\_\_ Date \_\_\_\_\_

Check only one of the following:

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

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

Third-Party Disclosure Provider(s) \_\_\_\_\_ Property I.D. \_\_\_\_\_ Date \_\_\_\_\_ February 4, 2011 \_\_\_\_\_

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

The items listed below indicate additional statutory disclosures and legal information that may be provided in the report.

- Additional Reports that are enclosed herein if ordered:  
(A) ENVIRONMENTAL RISK REPORT (Enclosed if ordered). (B) C.L.U.E.© (Comprehensive Loss Underwriting Exchange) REPORT (Enclosed if ordered).
- Additional Statutory Disclosures:  
(A) INDUSTRIAL USE ZONE DETERMINATION (where available) pursuant to Section 1102.17 of the California Civil Code. Refer to Report. (B) MILITARY ORDNANCE FACILITIES pursuant to California Civil Code Sections 1102.15 and 1940.7. Refer to Report. (C) AIRPORT INFLUENCE AREA pursuant to Civil Code Section 1103.4. Refer to Report. (D) NOTICE OF RIGHT TO FARM pursuant to California Civil Code Section 1103.4. Refer to Report. (E) MELLO-ROOS & SPECIAL ASSESSMENTS pursuant to Section 53311-53365.7 / 53754 of the California Government Code; Refer to Report.
- Additional Local Jurisdiction Hazards - May include the following:  
Airports, Avalanche, Coastal Protection, Conservation Areas, Critical Habitats, Dam Failure Inundation, Duct Sealing Requirements, Erosion, Fault Zone, Fire, Groundwater, Landslide, Liquefaction, Methane Gas, Mines, Mines, Naturally Occurring Asbestos, Oil and Gas Well Proximity, Petrochemical Contamination, Property Taxes, Radon, Right to Farm, Soil Stability, Tsunami, Williamson Act, Wind Erosion. Refer to Report.
- General Notices:  
Methamphetamine Contamination, Megan's Law - Sex Offender Database, Abandoned Wells. Notice of Supplemental Property Tax Bill. Refer to Report.
- Governmental Guides enclosed in Buyer's Copy of report:  
(A) ENVIRONMENTAL HAZARDS: "A Guide for Homeowners, Buyers, Landlords and Tenants" pursuant to California Health and Safety Code Section 25100 et seq., 25417, and 26100, Business and Professions Code Section 10084, and Civil Code Section 2079.7. Refer to Report. ; (B) EARTHQUAKE SAFETY: "The Homeowner's Guide To Earthquake Safety" and "Residential Earthquake Hazards Report" form pursuant to California Business and Professions Code Section 10149, and Government Code Sections 8897.1, 8897.2, and 8897.5. Refer to Report. ; (C) RESIDENTIAL EARTHQUAKE HAZARDS REPORT FORM pursuant to California Business and Professions Code Section 10149, and California Government Code Sections 8897.1, 8897.2, and 8897.5. Refer to enclosed "The Homeowner's Guide to Earthquake Safety". ; (D) LEAD-BASED PAINT: "Protect Your Family From Lead In Your Home" pursuant to HUD Mortgage Letter 92-94, Title X of Housing and Com. D.V. Act of 1992. Refer to Report. ; (E). MOLD: Chapter VI re mold, pursuant to Health and Safety Code Section 25100 et seq., 25417, and 26100, Business and Professions Code Section 10084, and Civil Code Section 2079.7. Refer to Report. ; (F). "What Is Your Home Energy Rating?", pursuant to California Civil Code Section 2079.10. Refer to Report.

This Report contains the Mandatory Natural Hazard Disclosure Report. The Environmental Risk Report is only enclosed if it has been ordered. To order the Environmental Risk Report, please contact Property I.D. Customer Service at 800-626-0106.

Signature of Transferee(s) \_\_\_\_\_ Date \_\_\_\_\_

Signature of Transferee(s) \_\_\_\_\_ Date \_\_\_\_\_



ORDER ID #: 2322909  
ORDER DATE: 02/04/2011

ESCROW / FILE NUMBER:  
08-98050300-1TM

ESCROW AGENT:  
KEVIN FOLEY  
CHICAGO TITLE  
675 NORTH FIRST STREET STE 300  
SAN JOSE, CA  
95112

SUBJECT PROPERTY:  
8655 LEAVESLEY ROAD  
GILROY, CA 95020  
SANTA CLARA COUNTY  
APN: 898-34-002

ORDERED BY:  
LEONETTE STAFFORD  
REALTY WORLD PEOPLE TO PEOPLE -  
MORGAN HILL  
17485 MONTEREY ROAD  
MORGAN HILL, CA 95037

## TABLE OF CONTENTS

NATURAL HAZARD DISCLOSURE STATEMENT AND RECEIPT	Preface	PERCHLORATE CONTAMINATION	26
SUMMARY OF RESULTS	2	NOTICE OF RIGHT TO FARM	27
FLOOD HAZARD ZONES	5	LAND CONSERVATION DETERMINATION	28
DAM FAILURE INUNDATION	6	PROPERTY TAX RECORDS	29
FIRE HAZARDS	7	GENERAL NOTICES OF REQUIRED DISCLOSURES	32
EARTHQUAKE FAULT ZONES	9	METHAMPHETAMINE CONTAMINATION	32
LANDSLIDE SUSCEPTIBILITY	11	MEGAN'S LAW - SEX OFFENDER DATABASE	32
LIQUEFACTION SUSCEPTIBILITY	12	ABANDONED WELLS	32
SOIL HAZARDS	14		
NATURALLY OCCURRING ASBESTOS	15		
RADON GAS POTENTIAL	16		
PROTECTED SPECIES / HABITATS	17		
VIEWSHED PROTECTION STUDY AREA	19		
NOTICE OF DUCT SEALING REQUIREMENTS	20		
AIRPORT PROXIMITY	21		
MILITARY ORDNANCE AND DEFENSE SITES	22		
AREAS OF INDUSTRIAL / COMMERCIAL USE	23		
ABANDONED / ACTIVE MINES	24		
OIL AND GAS WELL PROXIMITY	25		

Safety Guides are included at the end of the Buyer's Copy of reports printed by Property I.D. Links to download the guides are included when reports are delivered electronically. Safety Guides included: "Residential Environmental Hazards", "Homeowner's Guide To Earthquake Safety", including the "Residential Earthquake Hazards Report Form", "Protect Your Family From Lead In Your Home", "Mold in My Home: What Do I Do?", and "What Is Your Home Energy Rating?"

### NOTICE TO BUYER:

This report applies to the property described by the street address and/or county assessor's parcel number as shown above. Please verify this information for accuracy. If this report has been issued in connection with an identified escrow and your escrow transaction number fails to match the escrow number enumerated in this report, then this report is invalid and must be reordered.

This report is issued as of the date shown above and is based upon an examination of maps as published by government agencies. This report does not constitute an opinion as to the advisability of completing the transaction.

# SUMMARY OF RESULTS

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

## STATUTORY DISCLOSURES

DISCLOSURE	DETERMINATION	DISCLOSURE DETAIL
FEMA Flood Zone	IN	SPECIAL FLOOD HAZARD AREA. THE PROPERTY IS IN ZONE A (A SPECIAL FLOOD HAZARD AREA), AND ZONE D (NOT SPECIAL FLOOD HAZARD AREA)
OES Dam Inundation	NOT IN	DAM INUNDATION AREA
High Fire Severity - State	NOT IN	VERY HIGH FIRE HAZARD SEVERITY ZONE
Wildland Fire Area - State	IN	STATE FIRE RESPONSIBILITY AREA
Alquist-Priolo Fault Zone	IN	EARTHQUAKE FAULT ZONE
CGS Landslides	NOT IN	EARTHQUAKE-INDUCED LANDSLIDE HAZARD ZONE (NOTE: THE SUBJECT PROPERTY IS IN AREA FOR WHICH NO MAPS HAVE BEEN ISSUED BY THE STATE OF CALIFORNIA)
Seismic Hazard : Liquefaction	NOT IN	LIQUEFACTION HAZARD ZONE (NOTE: THE SUBJECT PROPERTY IS IN AREA FOR WHICH NO MAPS HAVE BEEN ISSUED BY THE STATE OF CALIFORNIA)

## STATE-WIDE DISCLOSURES

DISCLOSURE	DETERMINATION	DISCLOSURE DETAIL
Faults - USGS	WITHIN 1/4 MILE	FAULT (CALAVERAS FAULT ZONE, CENTRAL CALAVERAS SECTION (CALAVERAS FAULT) - WELL CONSTRAINED FAULT, COYOTE CREEK FAULT - MODERATELY CONSTRAINED FAULT)
Faults - CalTrans	WITHIN 1/4 MILE	FAULT (CALAVERAS FAULT ZONE (CENTRAL CALAVERAS SECTION))
Faults - State	WITHIN 1/4 MILE	FAULT (A WELL LOCATED OR WELL DEFINED UNNAMED FAULT, THE CALAVERAS FAULT, WELL LOCATED OR WELL DEFINED FAULT, THE COYOTE CREEK FAULT, APPROXIMATELY LOCATED OR INFERRED FAULT)
Landslide Inventory	NOT IN	IDENTIFIED EARTH MOVEMENT
Liquefaction Prone Soils	IN	POTENTIALLY LIQUEFIABLE SOILS
Naturally Occuring Asbestos	NOT IN	NATURALLY OCCURRING ASBESTOS HAZARD ZONE
Radon Gas	IN	ZONE 2 FOR RADON GAS POTENTIAL
Protected Species / Habitats	NOT IN	AREA WITH PROTECTED SPECIES OR HABITATS
Protected Species / Habitats	NOT IN	AREA WITH RECORDED SIGHTINGS OF RARE SPECIES OR NATURAL COMMUNITIES
Duct Sealing Requirement	IN	ZONE OFFICIALLY EXEMPTED FROM CALIFORNIA ENERGY COMMISSION DUCT SEALING REQUIREMENTS
Airport Influence Area	NOT IN	AIRPORT INFLUENCE AREA
Airport Vicinity	NOT WITHIN 2 MILES OF	FAA APPROVED LANDING FACILITY
Military Facilities	NOT WITHIN 1 MILE	FORMERLY USED DEFENSE SITE

# SUMMARY OF RESULTS

(continued)

## STATE-WIDE DISCLOSURES

(continued)

DISCLOSURE	DETERMINATION	DISCLOSURE DETAIL
Mining Operations	WITHIN 1 MILE	IDENTIFIED MINING OPERATIONS, INCLUDING THE FOLLOWING... ABANDONED MINE SITE (Unnamed mine, Mine Tunnel), ABANDONED MINE WITH POTENTIAL MERCURY CONTAMINATION OF SURFACE WATERS (RIANDA UNDERGROUND MINE), MINE SITE (RIANDA, MERCURY MINE), MINE SITE (RIANDA, MERCURY UNDERGROUND MINE)
Oil and Gas Wells	NOT WITHIN 500 FEET OF	OIL OR GAS WELL, ACTIVE OR ABANDONED
Right to Farm	IN	OR IS ADJACENT TO AGRICULTURAL ACTIVITY
Land Conservation Act	NOT IN	LANDS UNDER CONTRACT PURSUANT TO THE CALIFORNIA LAND CONSERVATION (WILLIAMSON) ACT AT THE TIME THE DATA WAS OBTAINED.
Special Tax Assessment District	IN	SPECIAL TAX ASSESSMENT DISTRICT
Rate Based Taxes	SUBJECT TO	AD VALOREM TAXES
Mello-Roos Tax District	IN	MELLO-ROOS COMMUNITY FACILITIES DISTRICT

## LOCAL DISCLOSURES

DISCLOSURE	DETERMINATION	DISCLOSURE DETAIL
Liquefaction - Local	IN	MODERATE LIQUEFACTION POTENTIAL
Landuse - Local	NOT IN	INDUSTRIAL AND/OR COMMERCIAL LAND USE
Salt Water Flooding - Local	NOT IN	AREA WITH HIGH POTENTIAL FOR SALT WATER FLOODING FROM FAILURE OF DIKES
Fault Rupture Zones - Local	IN	FAULT RUPTURE HAZARD ZONE
Faults - Local	WITHIN 1/4 MILE	FAULT (CALAVERAS FAULT - ACTIVE)
Landslides - Local	IN	LANDSLIDE HAZARD ZONE
Liquefaction - Local	WITHIN 1/4 MILE	LIQUEFACTION HAZARD ZONE
Compressible Soil - Local	NOT IN	AREA WITH HIGH POTENTIAL FOR COMPRESSIBLE SOILS AND DIFFERENTIAL SETTLEMENT
Zoning - Local	NOT IN	INDUSTRIAL AND/OR COMMERCIAL USE ZONE
County Planning	NOT IN	INDUSTRIAL AND/OR COMMERCIAL LAND USE
Perchlorate - Local	NOT IN	PERCHLORATE STUDY AREA
Viewshed Protection Area - Local	IN	VIEWSHED PROTECTION STUDY AREA
Fire Hazard - Local	NOT IN	VERY HIGH FIRE HAZARD SEVERITY ZONE

## DISCLOSURE NOTICES

METHAMPHETAMINE CONTAMINATION	see under DISCLOSURE NOTICES
MEGAN'S LAW - SEX OFFENDER DATABASE	see under DISCLOSURE NOTICES
ABANDONED WELLS	see under DISCLOSURE NOTICES

# SUMMARY OF RESULTS

(continued)

THIS "SUMMARY OF RESEARCH RESULTS" MERELY SUMMARIZES THE RESEARCH RESULTS CONTAINED IN THE PROPERTY I.D. MANDATORY DISCLOSURE REPORT AND DOES NOT OBTAIN THE NEED TO READ THE REPORT IN ITS ENTIRETY. THE TRANSFEROR(S) AND TRANSFEREE(S) MUST READ THE REPORT IN ITS ENTIRETY.

# FLOOD HAZARD ZONES

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of the Flood Insurance Rate Maps issued by the Federal Emergency Management Agency, the following determination is made:

**SUBJECT PROPERTY IS LOCATED IN A SPECIAL FLOOD HAZARD AREA. THE PROPERTY IS IN ZONE A (A SPECIAL FLOOD HAZARD AREA), AND ZONE D (NOT A SPECIAL FLOOD HAZARD AREA)**

## EXPLANATION OF FEMA FLOOD ZONE DESIGNATIONS

Any zones type "A" or "V" are Special Flood Hazard Areas, zones "B", "C", "D", "X" are not.

A	AREAS OF 100-YEAR FLOOD; BASE FLOOD ELEVATIONS AND FLOOD HAZARD FACTORS NOT DETERMINED.
AC*	AREAS OF FLOODING CONTAINED BY FLOOD CONTROL MEASURES; INCLUDES AREAS OF FLOODING CONTAINED BY CHANNEL OR BASIN. (* represents a wildcard character)
AE	AREAS OF FLOODING WHERE THE BASE FLOOD ELEVATION HAS BEEN DETERMINED
AH	AREAS OF 100-YEAR SHALLOW FLOODING WHERE DEPTHS ARE BETWEEN ONE (1) AND THREE (3) FEET; BASE FLOOD ELEVATIONS ARE SHOWN, BUT NO FLOOD HAZARD FACTORS ARE DETERMINED.
AO	AREAS OF 100-YEAR SHALLOW FLOODING WHERE DEPTHS ARE BETWEEN ONE (1) AND THREE (3) FEET; AVERAGE DEPTHS OF INUNDATION ARE SHOWN, BUT NO FLOOD HAZARD FACTORS ARE DETERMINED.
AR	AREAS OF 100-YEAR FLOOD, WHERE RESTORATION OF LEVEE SYSTEM TO LEVEL OF BASE FLOOD IS UNDERWAY (TEMPORARY UNTIL FLOOD PROTECTION SYSTEM IS RESTORED)
A1-A30	AREAS OF 100-YEAR FLOOD; BASE FLOOD ELEVATIONS AND FLOOD HAZARD FACTORS DETERMINED.
A99	AREAS OF 100-YEAR FLOOD TO BE PROTECTED BY FLOOD PROTECTION SYSTEM UNDER CONSTRUCTION; BASE FLOOD ELEVATIONS AND FLOOD HAZARD FACTORS NOT DETERMINED.
B	AREAS BETWEEN THE LIMITS OF THE 100-YEAR FLOOD AND THE 500-YEAR FLOOD; OR CERTAIN AREAS SUBJECT TO 100-YEAR FLOODING WITH AVERAGE DEPTHS LESS THAN ONE (1) FOOT OR PROTECTED BY LEVEES.
C	AREAS OF MINIMAL FLOODING; AREAS OUTSIDE 100-YEAR FLOODING
D	AREAS OF UNDETERMINED, BUT POSSIBLE, FLOOD HAZARDS.
V	AREAS OF 100-YEAR COASTAL FLOOD WITH VELOCITY (WAVE ACTION); BASE FLOOD ELEVATIONS AND FLOOD HAZARD FACTORS NOT DETERMINED.
V1-V30	AREAS OF 100-YEAR COASTAL FLOOD WITH VELOCITY (WAVE ACTION)' BASE FLOOD ELEVATIONS AND FLOOD HAZARD FACTORS DETERMINED.
VE	COASTAL FLOOD WITH VELOCITY HAZARD (WAVE ACTION); BASE FLOOD ELEVATIONS DETERMINED.
X	AREAS DETERMINED TO BE OUTSIDE 500-YEAR FLOOD PLAIN.
X500	AREAS OF 500-YEAR FLOOD; AREAS OF 100-YEAR FLOOD WITH AVERAGE DEPTHS OF LESS THAN ONE (1) FOOT OR WITH DRAINAGE AREAS LESS THAN 1 SQUARE MILE; AND AREAS PROTECTED BY LEVEES FROM 100-YEAR FLOOD.
X*PL	AREAS PROTECTED FROM 100 YEAR FLOOD BY LEVEE, DIKE, OR OTHER STRUCTURE. OVERTOPPING OR FAILURE OF THIS STRUCTURE IS POSSIBLE. COMMUNITIES SHOULD ISSUE EVACUATION PLANS AND ENCOURAGE PROPERTY OWNERS BEHIND THESE STRUCTURES TO PURCHASE FLOOD INSURANCE. (* represents a wildcard character)

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

**DAM FAILURE INUNDATION**  
For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of specific maps or data obtained from the Office of Emergency Services, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN A DESIGNATED DAM INUNDATION AREA**

Based on PROPERTY I.D.'s research of specific maps or data for Santa Clara County, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN AN AREA WITH HIGH POTENTIAL FOR SALT WATER FLOODING FROM FAILURE OF DIKES**

DISCUSSION:

The dam inundation program began in response to the Sylmar earthquake of February 9, 1971, which caused severe damage to the Upper and Lower Van Norman Dams, and threatened to cause extensive damage to life and property had a dam failure occurred. The California legislature added sections 8589.5 to the California Government Code, requiring dam owners to provide the Governor's Office of Emergency Services with an inundation map showing the extent of damage to life and property that would occur, given a complete and sudden dam failure at full capacity, i.e. a worst case scenario, regardless of the likelihood of such an event.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

**FIRE HAZARDS**  
For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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**VERY HIGH FIRE HAZARD ZONE**

Based on PROPERTY I.D.'s research of the current maps and/or information issued by the California Department of Forestry and Fire Protection and Santa Clara County, The following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN A VERY HIGH FIRE HAZARD SEVERITY ZONE**

**DISCUSSION:**

In an effort to prepare measures to retard the spread of fires, and reduce the potential intensity of uncontrolled fires that could destroy resources, life, or property, the California Department of Forestry and Fire Protection identifies Very High Fire Hazard Severity Zones. These areas are classified as such based upon fuel loading, slope, fire history, weather, and other relevant factors. For an area designated as a very high fire hazard severity zone, vegetation removal or management must be undertaken for fire prevention or suppression purposes. Other measures may be required, such as the maintenance of fire breaks around the property, clearance of brush and other flammable substances, the provision and maintenance of screens on chimneys and stovepipes, and a prescribed fire retardant roof.

**WILDLAND FIRE (STATE FIRE RESPONSIBILITY AREA)**

Based on PROPERTY I.D.'s research of the current maps issued by the California Department of Forestry and Fire Protection, the following determination is made:

**SUBJECT PROPERTY IS LOCATED IN A DESIGNATED STATE FIRE RESPONSIBILITY AREA**

**DISCUSSION:**

A State Fire Responsibility Area is defined as lands exclusive of cities and federal lands regardless of ownership, classified by the State Board of Forestry as areas in which the primary financial responsibility for preventing and suppressing fire is that of the State. These are lands covered wholly or in part by timber, brush, undergrowth or grass, whether of commercial value or not, which protect the soil from erosion, retard runoff of water or accelerated percolation, and lands used principally for range or forage purposes. State Fire Responsibility Areas are generally wildland areas, and may require state-imposed additional duties, such as maintaining fire breaks.

**LOCAL FIRE HAZARD DETERMINATION(S)**

## FIRE HAZARDS

(continued)

Based on PROPERTY I.D.'s research of specific maps or data for the City of Gilroy, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN A VERY HIGH FIRE HAZARD SEVERITY ZONE**

### Discussion:

The Director of the California Department of Forestry (CDF) identifies Very High Fire Hazard Severity Zones (VHFHSZ) based on statewide criteria. But at its discretion, a local agency may include or exclude areas from the VHFHSZ following a finding, supported by substantial evidence, that modifications to the fire hazard zones are necessary for effective fire protection.

Note: If the property is located in a State Fire Responsibility area, Seller shall, within the time specified, disclose this fact in writing to Buyer (Public Resources Code Section 4136). Disclosure may be made in the Real Estate Transfer Disclosure Statement (CAR Form TDS-14). Government regulations may impose building restrictions and requirements that may substantially impact and limit construction and any remodeling or improvement.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

# EARTHQUAKE FAULT ZONES

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of maps or data obtained from the State of California in accordance with the Alquist-Priolo Earthquake Fault Zone Act, the following determination is made:

**SUBJECT PROPERTY IS LOCATED IN AN OFFICIAL EARTHQUAKE FAULT ZONE**

DISCUSSION:

If the Subject Property is partially or wholly within an OFFICIAL EARTHQUAKE FAULT ZONE, it may be subject to (city, county, or state) requirements necessitating geologic study prior to any new or additional construction. When a property is located in this zone, it may not mean that a fault line exists on the property. In certain areas, the zones around the faults being studied are more than one-quarter of a mile wide.

Earthquake Fault Zones are delineated and adopted by the State of California as part of the Alquist-Priolo Earthquake Fault Zone Act of 1972 to assure that homes, offices, hospitals, public buildings, and other structures for human occupancy are not built on active faults. Earthquake Fault Zones are areas on both sides of known or suspected active earthquake faults. The State Mining and Geology Board has adopted policies and criteria for implementing the zones.

Based on PROPERTY I.D.'s research of maps or data obtained from the United States Geologic Survey, following determination is made:

**SUBJECT PROPERTY IS LOCATED WITHIN 1/4 MILE OF A MAPPED FAULT (CALAVERAS FAULT ZONE, CENTRAL CALAVERAS SECTION (CALAVERAS FAULT) - A WELL CONSTRAINED FAULT, COYOTE CREEK FAULT - A MODERATELY CONSTRAINED FAULT)**

Based on PROPERTY I.D.'s research of specific maps or data from the State of California, the following determination is made:

**SUBJECT PROPERTY IS LOCATED WITHIN 1/4 MILE OF A MAPPED FAULT (A WELL LOCATED OR WELL DEFINED UNNAMED FAULT, THE CALAVERAS FAULT, A WELL LOCATED OR WELL DEFINED FAULT, THE COYOTE CREEK FAULT, AN APPROXIMATELY LOCATED OR INFERRED FAULT)**

Based on PROPERTY I.D.'s research of specific maps or data from the California Department of Transportation, the following determination is made:

**SUBJECT PROPERTY IS LOCATED WITHIN 1/4 MILE OF A MAPPED FAULT (CALAVERAS FAULT ZONE (CENTRAL CALAVERAS SECTION))**

Based on PROPERTY I.D.'s research of specific maps or data for Santa Clara County, the following determination is made:

**SUBJECT PROPERTY IS LOCATED WITHIN 1/4 MILE OF A MAPPED FAULT (CALAVERAS FAULT - ACTIVE)**

# EARTHQUAKE FAULT ZONES

(continued)

## SUBJECT PROPERTY IS LOCATED IN A FAULT RUPTURE HAZARD ZONE

### DISCUSSION:

As a part of long-term planning, localities are required to include mapping of known seismic or other geologic hazards on a local level. Information may vary between jurisdictions, and may include information about all locally-known seismic hazard zones, including an area's susceptibility to strong ground shaking, liquefaction, landslides or other ground failure.

The absence of earthquake activity at a particular location does not necessarily mean that earthquakes will not occur there in the future. Moderate to large earthquakes have often been preceded by or followed by long periods of quiescence. The apparent correlation between seismic activity and mapped faults should confine the areas of higher probability of earthquake occurrence to somewhat restricted zones.

Fault rupture can occur during moderate to large earthquakes and is a function of magnitude and the total length of the fault. Fault rupture accounts for only a small percentage of earthquake damage and may be rapid and sudden, as with a major earthquake, or can occur over an extended period of time.

### DEFINITIONS:

For fault disclosures that contain fault activity information, the definitions below describe these activity designations.

Active - "Active" faults are defined as faults that have been active within the last 0 to 11,000 years.

Potentially Active - "Potentially Active" faults are defined as faults that may have been active between 11,000 years and 500,000 years ago.

Conditionally Active - "Conditionally Active" faults are defined as faults that may have had activity 750,000 years ago or uncertain activity.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

# LANDSLIDE SUSCEPTIBILITY

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of the current maps issued by the California Geological Survey, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN AN OFFICIALLY DESIGNATED EARTHQUAKE-INDUCED LANDSLIDE HAZARD ZONE (NOTE: THE SUBJECT PROPERTY IS IN AN AREA FOR WHICH NO MAPS HAVE BEEN ISSUED BY THE STATE OF CALIFORNIA)**

Note: Additional / local determination(s) below, when listed, may differ from the seismic hazard determination found in the Natural Hazard Disclosure Statement ("NHDS"). Differentiation can occur because the determination made in the NHDS is based on specific maps prepared by the California Geological Survey (State Seismic Hazard Mapping Act), while the determination(s) below are based on different official maps and/or information.

Based on PROPERTY I.D.'s research of specific maps or data for California, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN AN AREA OF IDENTIFIED EARTH MOVEMENT**

Based on PROPERTY I.D.'s research of specific maps or data for Santa Clara County, the following determination is made:

**SUBJECT PROPERTY IS LOCATED IN A LANDSLIDE HAZARD ZONE**

## DISCUSSION:

Landslides and other ground failures may occur during earthquakes, triggered by the strain induced in soil and rock by the ground shaking vibrations, and during non-earthquake conditions, most frequently during the rainy season. Both natural and man-made factors contribute to these slope failures.

Although landslides due to slope failure are most frequent in "wet years" with above-average rainfall, they can occur at any time. The presence or absence of deep-rooted vegetation; surface and subsurface drainage conditions; thickness and engineering characteristics of soils and underlying weathered, partially-decomposed rock; orientation of bedding or locally-high rainfall can all affect slope stability.

The influence of bedrock lithology, steepness of slope, and rates of erosion, at the very least, must all be considered to generate an accurate susceptibility map. Any slope can be rendered unstable by construction activities and almost any unstable slope can also be mitigated by accepted geotechnical methods.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

# LIQUEFACTION SUSCEPTIBILITY

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of the current maps issued by the California Geological Survey, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN AN OFFICIALLY DESIGNATED LIQUEFACTION HAZARD ZONE (NOTE: THE SUBJECT PROPERTY IS IN AN AREA FOR WHICH NO MAPS HAVE BEEN ISSUED BY THE STATE OF CALIFORNIA)**

Note: Additional / local determination(s) below, when listed, may differ from the seismic hazard determination found in the Natural Hazard Disclosure Statement ("NHDS"). Differentiation can occur because the determination made in the NHDS is based on maps prepared by the California Geologic Survey in accordance with the State Seismic Hazard Mapping Act, while the determinations below are based on official maps prepared for another mapping program.

Based on PROPERTY I.D.'s research of specific maps or data for California, the following determination is made:

**SUBJECT PROPERTY IS LOCATED IN AN AREA OF POTENTIALLY LIQUEFIABLE SOILS**

Based on PROPERTY I.D.'s research of specific maps or data for the Bay Area, the following determination is made:

**SUBJECT PROPERTY IS LOCATED IN AN AREA OF MODERATE LIQUEFACTION POTENTIAL**

Based on PROPERTY I.D.'s research of specific maps or data for Santa Clara County, the following determination is made:

**SUBJECT PROPERTY IS LOCATED WITHIN 1/4 MILE OF A LIQUEFACTION HAZARD ZONE**

# LIQUEFACTION SUSCEPTIBILITY

(continued)

## DISCUSSION:

Liquefaction is the sudden loss of soil strength resulting from shaking during an earthquake. The effect on structures and buildings can be devastating, and is a major contributor to urban seismic risk. Areas most susceptible to liquefaction are underlain by non-cohesive soils, such as sand and silt, that are saturated by water.

Mapped liquefaction areas are those where historic occurrence of liquefaction, or local geological, geotechnical conditions indicate a potential for permanent ground displacement such that mitigation as defined in Public Resources Code Section 2693(c) would be required. Section 2693(c) defines "mitigation" to mean those measures that are consistent with established practice and that will reduce seismic risk to acceptable levels.

Note: The map upon which this determination is based may not show all areas that have the potential for liquefaction or other earthquake and geologic hazards. Also, a single earthquake capable of causing liquefaction may not uniformly affect the entire area. Liquefaction zones may also contain areas susceptible to the effects of earthquake induced landslides. This situation typically exists at or near the toe of existing landslides, down slope from rock fall or debris flow source areas, or adjacent to steep stream banks.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

**SOIL HAZARDS**  
For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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**SUBSIDENCE**

Based on PROPERTY I.D.'s research of specific maps or data for Santa Clara County, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN AN AREA WITH HIGH POTENTIAL FOR COMPRESSIBLE SOILS AND DIFFERENTIAL SETTLEMENT**

**DISCUSSION:**

Subsidence is the gradual settling or sinking of the earth's surface with little or no horizontal motion due to the loss of solids or liquids from the subsurface. The compaction of alluvium and settling of the land surface is a process that occurs over several years, except when prompted by seismic shaking. Subsidence can cause property damage and could progressively deteriorate structures over time. As such, stricter construction and development requirements may apply that could affect building materials and standards used. Structures may experience more hairline cracks in the walls and slabs. Inundation or flooding may also be a secondary effect of subsidence.

In Santa Clara County Compressible Soils are an officially recognized Geologic Hazard Zone (GHZ.) In those areas, local ordinances require that the owner/applicant submit a geologic report (prepared and signed by a Certified Engineering Geologist [CEG]) for review by the County Geologist prior to approval of certain applications for construction.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

# NATURALLY OCCURRING ASBESTOS

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of current maps and/or information issued by the California Geological Survey, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN A NATURALLY OCCURRING ASBESTOS HAZARD ZONE**

## DISCUSSION:

Natural asbestos commonly occurs in association with altered ultramafic rocks, including serpentinite or serpentine - the California state rock. State and federal officials consider all types of asbestos to be hazardous because asbestos is a known carcinogen. Wind and water can carry asbestos fibers, and certain human activities such as mining, grading, quarrying operations, construction or driving over unpaved roads or driving on a road paved in part with asbestos-bearing rock, can release dust containing asbestos fibers. As with any other potential environmental hazard, it is recommended that Buyers fully investigate and satisfy themselves as to the existence of exposed naturally occurring asbestos / serpentine rock on the Property or within its vicinity or any serpentine-surfaced roads within the vicinity of the Property and the hazards, if any, posed thereby. That investigation should include consulting with appropriate expert(s) who can identify and test any exposed naturally occurring asbestos / serpentine rock on the Property or within its vicinity to determine whether it may present a health risk to Buyers. Buyers are encouraged to review all relevant information resulting from these studies and other information pertaining to the risk of exposure to harmful forms of naturally occurring asbestos fibers prior to removing their inspection contingency. Exposure to asbestos may create a significant health risk, and the presence of asbestos-bearing minerals may result in restrictions on the use or development of the Property. You should consider the potential risks associated with the Property before you complete your purchase and determine whether they are acceptable to you.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

# RADON GAS POTENTIAL

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of specific maps or data obtained from the U.S. Environmental Protection Agency, the following determination is made:

THE ENTIRE COUNTY IN WHICH THE SUBJECT PROPERTY IS LOCATED IS  
DESIGNATED AS A ZONE 2 FOR RADON GAS POTENTIAL

## DEFINITION:

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

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

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

## DISCUSSION:

Radon is a naturally occurring colorless, odorless radioactive gas formed by the natural disintegration of uranium in soil, rock and ground water as it radioactively transmutes to form stable lead.

Radon gas forms from the decay of radioactive elements at depth. Air pressure inside a building is usually lower than pressure in the soil around the building's foundation. Because of this difference in pressure, buildings can act like a vacuum, drawing radon in through foundation cracks and other openings. As cracks develop in rocks, radon gas can rise into the local ground water and may also be present in well water and can be released into the air in buildings when water is used for showering and other household uses. In most cases, radon entering a building through water is a small risk compared with radon entering a building from the soil. In a small number of homes, the building materials can give off radon, although building materials alone rarely cause radon problems. The Surgeon General has warned that radon is the second leading cause of lung cancer in the United States. Only smoking causes more lung cancer deaths. Smokers that live in homes with high radon levels, are at an especially high risk for developing lung cancer.

The U.S. Environmental Protection Agency's (EPA) action level for indoor radon levels is 4 pCi/L, at which homes should be fixed. Even at lower levels Radon can still be dangerous, so the EPA recommends homeowners consider fixing their homes when the radon levels are between 2 pCi/L and 4 pCi/L.

The only way to determine radon levels for a specific property is by testing. For further information about radon testing and mitigation, contact the California Department of Health Services at <http://www.dhs.ca.gov>, The National Environmental Health Association (NEHA) at <http://www.neha.org>, and the National Environmental Radon Safety Board (NRSB) at <http://www.nrsb.org>.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

## PROTECTED SPECIES / HABITATS

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of the current maps and/or information obtained from federal, state, county, and local habitat conservation departments, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN AN AREA WITH PROTECTED SPECIES OR HABITATS**

Based on PROPERTY I.D.'s research of the California Natural Diversity Database (CNDDDB), the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN AN AREA WITH RECORDED SIGHTINGS OF RARE SPECIES OR NATURAL COMMUNITIES**

### DISCUSSION:

The species and/or habitat(s) listed above, if any, represent rare, sensitive, threatened, endangered, or special status plants, animals, natural communities, or habitats. Some of the species listed may not currently be considered endangered, threatened, sensitive, or protected, at the time of the report, but do have the potential of receiving an upgraded status.

Landowners with property in conservation areas may be subject to development fees at the time a grading permit is obtained, and/or may be required to secure a habitat assessment conducted by a biologist or specialist approved by the United States Fish and Wildlife Service, and/or the California Department of Fish and Game, and/or the local jurisdiction habitat conservation department. Fee revenues are generally expended for land acquisition, biologic research and other conservation and mitigation activities necessary to help implement the applicable species habitat conservation plans. A habitat assessment involves a field survey to ascertain the actual presence of the particular species upon the Subject Property. These habitat preservation measures may also limit the landowner's ability to develop the property. Affected landowners should check the applicable jurisdiction's ordinances, mitigation fees, and local planning jurisdictions.

The CNDDDB provides location and natural history information on special status plants, animals, and natural communities to the public, government agencies, and conservation organizations. The data can help drive conservation decisions, aid in environmental review of projects, and provide baseline data helpful in recovering endangered species. Although the presence of a CNDDDB identified species and/or habitat(s) on the subject property does not necessarily impact the landowner(s) directly, they may wish to check the applicable jurisdiction's ordinances, mitigation fees, and local planning jurisdictions.

## PROTECTED SPECIES / HABITATS

(continued)

Note: A lack of listed species and/or habitats in this report does not necessarily mean that there are no rare species or habitats in this area. Areas that have not been surveyed for rare species will not show results in this report. Land that has not been surveyed for rare plants and animals retains the potential to support rare elements.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

**VIEWSHED PROTECTION STUDY AREA**  
For  
**8655 LEAVESLEY ROAD, GILROY, CA 95020**  
**APN# 898-34-002**

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Based on PROPERTY I.D.'s research of specific maps or data from Santa Clara County, the following determination is made:

**SUBJECT PROPERTY IS LOCATED IN A VIEWSHED PROTECTION STUDY AREA**

**DISCUSSION:**

On August 29, 2006, the Santa Clara County Board of Supervisors voted unanimously to adopt the draft general plan policy revisions, zoning ordinance amendments, and rezoning for the Viewshed Protection Study, following staff recommendations. The project includes a new section of the Growth & Development Chapter for Rural Unincorporated Area Issues & Policies to better address topics such as visual impacts of hillside development, use of Design Review zoning districts, grading approvals, development on slopes of 30% or more, and ridgeline development issues. Parcels within the Viewshed Protection Study Area may be subject to special development guidelines, and their status as such should be verified with the Santa Clara County Planning Office. Further Information go to <http://www.sccgov.org> and search "Viewshed Study".

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

# NOTICE OF DUCT SEALING REQUIREMENTS

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of the the official climate zone maps issued by the California Energy Commission, the following determination is made:

## SUBJECT PROPERTY IS LOCATED IN A ZONE OFFICIALLY EXEMPTED FROM CALIFORNIA ENERGY COMMISSION DUCT SEALING REQUIREMENTS

### DISCUSSION:

The California Energy Commission's ("CEC") duct sealing requirements became effective on October 1, 2005, California Code of Regulations, Title 24. Some areas in specific climate zones as designated by the CEC are exempt from compliance and the requirements do not apply to properties in the exemption zones unless otherwise adopted by local governments. Properties that are not located in the exemption zones must comply with the requirements.

Depending upon certain conditions, if a central air conditioner or furnace was installed or replaced, the ducts may require testing for leakage. If significant leakage is found, repairs may be required 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. These new duct sealing requirements may impact a Seller's disclosure obligations and/or any negotiations between principals regarding replacing heating, ventilating and air conditions (HVAC) systems. These new requirements may increase the costs associated with replacing or installing an HVAC system.

13 SEER - Seasonal Energy Efficiency Ratio is the Federal Government's minimum standard efficiency rating for heating, ventilating, air conditioning and heat pumps. The US Department of Energy requires central air conditioners and heat pumps to meet an efficiency rating of 13 SEER. For further information contact the California Energy Commission at 800-772-3300 or go to [www.energy.ca.gov/title24/changeout](http://www.energy.ca.gov/title24/changeout).

Note: Property I.D. cannot determine the condition, required testing, or sealing needed for the HVAC system of the Subject Property, nor can Property I.D. verify any information provided about the condition of the HVAC system.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

## AIRPORT PROXIMITY

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of specific maps or data obtained from local land use commissions, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN AN AIRPORT INFLUENCE AREA**

Based on PROPERTY I.D.'s research of specific maps or data for the Federal Aviation Administration (FAA) and the U.S. Department of Transportation, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED WITHIN 2 MILES OF AN FAA APPROVED LANDING FACILITY**

### DISCUSSION:

**NOTICE OF AIRPORT IN VICINITY** - Pursuant to Section 1103.4 of the Civil Code: If the above-referenced property is located in the vicinity of an airport, within what is known as an Airport Influence Area, the property may be subject to some of the annoyances or inconveniences associated with proximity to airport operations (for example: noise, vibration or odors). Individual sensitivities to those annoyances can vary from person to person. You may wish to consider what airport annoyances, if any, are associated with the property before you complete your purchase and determine whether they are acceptable to you.

Note: In some instances the location of an airport facility's property line was not made available by the FAA. In those cases the FAA-designated central point of the facility was used as the center for the two mile proximity determination.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

# MILITARY ORDNANCE AND DEFENSE SITES

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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## FORMER MILITARY SITES

Based on PROPERTY I.D.'s research of the current maps or data issued by the U.S. Army Corps of Engineers, in conjunction with the Department of Defense, of former Federal and State Defense Sites, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED WITHIN 1 MILE OF A FORMERLY USED DEFENSE SITE**

Each site's evaluation is contained within an Inventory Project Report (INPR), which indicates a Risk Assessment Code (RAC) for each site. The RAC score is used to prioritize the remedial action at the site. A one (1) RAC score indicates a high likelihood of hazard severity and/or hazard probability. The five (5) RAC score indicates the least hazardous category.

### RISK ASSESSMENT CODE:

RAC 1 Imminent Hazard

RAC 2 High Priority

RAC 3 Recommend further action to determine presence of ordnance

RAC 4 Recommend further action to determine presence of ordnance

RAC 5 Recommend no further action

NO RAC No RAC score available

### DISCUSSION:

The sites are former locations used by various United States armed forces during the Second World War, and they have been reported and identified as contaminated with ordnance. Some confirmed sites have different kinds of contaminants - not all are artillery/ordnance contaminants.

Many sites are known by the federal and state government as former defense sites, whereupon there is potential for ordnance and similar explosive type contaminants, however this potential may not be confirmed.

Due to national security concerns, the US Army Corps of Engineers has not provided public updates on Formerly Used Defense Sites (FUDS) since January 2003.

Note: The above mentioned determination is made from a list of known Formerly Used Defense Sites in the state of California that are listed in the official government databases. There is a possibility that the database utilized does not include some of the most recently modified Risk Assessment Code (RAC) scores, recently discovered sites and/or information exempt from release.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

## AREAS OF INDUSTRIAL / COMMERCIAL USE

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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### LAND USE AND PLANNING

Based on PROPERTY I.D.'s research of specific maps or data for the Bay Area, the following determination is made:

SUBJECT PROPERTY IS NOT LOCATED IN AN AREA OF INDUSTRIAL AND/OR COMMERCIAL LAND USE

Based on PROPERTY I.D.'s research of specific maps or data for Santa Clara County, the following determination is made:

SUBJECT PROPERTY IS NOT LOCATED IN AN AREA OF INDUSTRIAL AND/OR COMMERCIAL LAND USE

### ZONING

Based on PROPERTY I.D.'s research of specific maps or data for Santa Clara County, the following determination is made:

SUBJECT PROPERTY IS NOT LOCATED IN AN INDUSTRIAL AND/OR COMMERCIAL USE ZONE

#### DISCUSSION:

Industrial or commercial use zones or districts may be established by cities and/or counties wherein certain manufacturing, commercial or airport uses are expressly permitted.

Pursuant to Section 1102.17 of the Civil Code, the seller of residential real property subject to this article who has actual knowledge that the property is affected by, or zoned to allow, an industrial use described in Section 731a of the Code of Civil Procedure, which allows manufacturing, commercial or airport uses in zones that have been established under authority of law for those uses, shall give written notice of that knowledge as soon as practicable before transfer of title.

The existence of various conditions such as traffic, noise, odors, pollution, obstructed views, and other such conditions that are reasonable and necessary in Industrial Use Zones, cannot be enjoined or restrained, nor shall such use be deemed a nuisance as outlined in Section 731a of the Code of Civil Procedure.

*Note: Where not specifically identified, determinations may be based on maps or data made for Land Use and Planning purposes, and may not reflect all local zoning. Zoning changes occur often. This report should not be relied upon to provide any specific determination of the current zoning or allowed activities on or near the the Subject Property.*

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

## ABANDONED / ACTIVE MINES

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of specific maps or data obtained from the Office of Mines and Reclamation and the U.S. Geological Survey, the following determination is made:

**SUBJECT PROPERTY IS LOCATED WITHIN 1 MILE OF IDENTIFIED MINING OPERATIONS, INCLUDING THE FOLLOWING...**

**ABANDONDED MINE SITE (Unnamed mine, Mine Tunnel), ABANDONED MINE WITH POTENTIAL MERCURY CONTAMINATION OF SURFACE WATERS (RIANDA UNDERGROUND MINE), MINE SITE (RIANDA, MERCURY MINE), MINE SITE (RIANDA, MERCURY UNDERGROUND MINE)**

### DISCUSSION:

Since the 1849 Gold Rush, mines have been dug and abandoned throughout the State of California. The result is that in the state there are tens of thousands of active and abandoned mines, many unmapped, that can pose safety, health, and environmental hazards. Sites can possess serious physical safety hazards, such as open shafts or adits (mine tunnels), and many mines have the potential to contaminate surface water, groundwater, or air with acid-rock drainage, mercury, arsenic, cyanide, asbestos, lead, chromium, or other contaminants.

The cost of closure and remediation of abandoned mines falls on the current property owner and any potentially responsible parties that can be located and are financially liable. Most current landowners had nothing to do with the historic mining, unlike the potentially responsible parties, and the clean-up costs can be daunting.

Further information is available from the Department of Conservation, Office of Mine Reclamation, Abandoned Mine Lands Unit (AMLU) [http://www.conservation.ca.gov/omr/abandoned\\_mine\\_lands/Pages/Index.aspx](http://www.conservation.ca.gov/omr/abandoned_mine_lands/Pages/Index.aspx) and the U.S. Geological Survey, <http://minerals.usgs.gov>.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

**OIL AND GAS WELL PROXIMITY**  
For  
**8655 LEAVESLEY ROAD, GILROY, CA 95020**  
**APN 898-34-002**

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Based on PROPERTY I.D.'s research of specific maps or data for California, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED WITHIN 500 FEET OF AN IDENTIFIED OIL  
OR GAS WELL, ACTIVE OR ABANDONED**

DISCUSSION:

Abandoned oil and gas wells dot the landscape of California. Identified wells have been mapped and are monitored by the California Department of Conservation; and are generally regulated by State and Local agencies. While abandoned wells that are properly capped and monitored present a low hazard risk, improper capping or plugging of abandoned wells can lead to a variety of problems. Improperly capped wells can release noxious chemicals into the air, or allow chemicals to leach into groundwater. Abandoned oil and gas wells are prone to buildup of methane gas which can create an explosion hazard if not properly monitored and cleaned. Improperly capped wells can lead to sinkhole development. Wells can pose a serious threat to the safety of humans, especially children, and to animals. Questions of jurisdiction and responsibility in regards to capping and maintenance of abandoned wells may exist.

For more information regarding abandoned oil and gas wells in California, contact the following agencies: State of California Dept. of Conservation - Oil, Gas, and Geothermal Division at <http://www.conservation.ca.gov/dog/Pages/Index.aspx> ; California Environmental Protection Agency <http://www.calepa.ca.gov>

Note: This hazard determination only identifies properties in proximity to abandoned wells that have been mapped by the California Department of Conservation. Unmapped abandoned wells that are not identified in this disclosure could exist on or near the Subject Property. Unmapped and unidentified wells can pose a greater risk to health and safety as they are not monitored and may not have received the appropriate mitigation measures.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

# PERCHLORATE CONTAMINATION

For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of specific maps or data for Santa Clara County, the following determination is made:

**SUBJECT PROPERTY IS NOT LOCATED IN A PERCHLORATE STUDY AREA**

## DISCUSSION:

Perchlorate is both a natural and man-made salt that is used as an oxidizer and used in the production of highway flares, rocket fuel, air bag inflators, matches, fireworks, dyes, lubricating oils, electroplating and medical specialty tests.

The extent of the contamination and the potential hazards to the health of residents in the perchlorate study area is the subject of ongoing investigation, but it is considered to have adverse health effects and water suspected to contain perchlorate should be avoided for drinking and cooking. Conventional water treatment methods, such as carbon filters, air stripping, household water filters, chlorination, aeration and boiling are not effective in removing perchlorate. However, reverse osmosis, distillation and specialized ion exchange resins can be successful in removing perchlorate.

The investigation area is bounded approximately by Tennant Avenue on the north, Masten Avenue on the south, Center Avenue on the east and Monterey Highway on the west. You should consider using bottled water if you obtain your drinking water from a well in the investigation area until the investigation is complete. The water district has an unlimited supply of bottled water for residents in the investigation area who have contacted the Perchlorate Hotline at 408-265-2607 Ext. 2649 to schedule a well test. For further information go to [www.valleywater.org](http://www.valleywater.org), or call the Perchlorate Hotline.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

**NOTICE OF RIGHT TO FARM**  
For  
8655 LEAVESLEY ROAD, GILROY, CA 95020  
APN 898-34-002

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Based on PROPERTY I.D.'s research of the current county-level GIS "Important Farmland Map," issued by the California Department of Conservation, Division of Land Resource Protection, the following determination is made:

**SUBJECT PROPERTY IS LOCATED IN OR IS ADJACENT TO AN AREA OF  
AGRICULTURAL ACTIVITY**

The following notice applies to properties located within one mile of agricultural activity.

NOTICE:

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

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

**LAND CONSERVATION DETERMINATION**  
For  
**8655 LEAVESLEY ROAD, GILROY, CA 95020**  
**APN 898-34-002**

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Based on PROPERTY I.D.'s research of specific maps or data for the California Department of Conservation, Division of Land Resource Protection and in conjunction with local county agencies, the following determination is made:

**SUBJECT PROPERTY IS NOT / WAS NOT LOCATED IN LANDS UNDER CONTRACT PURSUANT TO THE CALIFORNIA LAND CONSERVATION (WILLIAMSON) ACT AT THE TIME THE DATA WAS OBTAINED.**

DISCUSSION:

The Williamson Act was passed by the California Legislature in 1965 to preserve agricultural and open space lands in Agricultural Preserves by discouraging premature and unnecessary conversion to urban uses. The term "Agricultural Preserve" is an area for which a city or county will enter into contracts with landowners to devote land to agricultural or open-space uses, pursuant to the California Land Conservation (Williamson) Act. Preserves are regulated by rules and restrictions designated in the resolution to ensure that the land within the Preserve is maintained for agricultural or open space use.

The Williamson Act authorizes local governments and property owners to (voluntarily) enter into 10-year rolling term contracts to commit land to specified uses. In return, restricted parcels may be assessed for property tax purposes at a rate consistent with their actual use, rather than potential market value. However, a Williamson Act contract on the property does not by itself necessarily guarantee that the property will be assessed at a reduced value for property tax purposes. A Williamson Act contract runs with the land and is binding on all successors in interest of the landowner. A landowner's failure to meet the conditions of the contract may be considered a breach of the contract, which will allow the local government to sue the landowner and/or not renew the contract.

Additionally, if the Subject Property is located at or near Agricultural Preserves, inconvenience or discomfort may arise from the use of the land for agricultural activity or processing activity in a manner consistent with proper and accepted customs and standards. Agricultural activity, operation, or facility, or appurtenances thereof shall include, but not be limited to, the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural commodity including timber, viticulture, apiculture, or horticulture, the raising of livestock, fur bearing animals, fish, or poultry, and any practices performed by a farmer or on a farm as incident to or in conjunction with those farming operations, including preparation for market, delivery to storage or to market, or delivery to carriers for transportation to market. Agricultural processing activity, operation, facility, or appurtenances thereof includes, but is not limited to, the canning or freezing of agricultural products, the processing of dairy products, the production and bottling of beer and wine, the processing of meat and egg products, the drying of fruits and grains, the packaging and cooling of fruits and vegetables, and the storage or warehousing of any agricultural products, and includes processing for wholesale or retail markets of agricultural products.

When found in the hazard determination the terms "zone", "area", or "mapped" are words strictly defined as geographic locations delineated by specific boundaries identified in the maps and/or data prepared by the applicable governmental agency. No visual examination of the Subject Property was performed. This report is not a substitute for a visual examination and/or inspection of the Subject Property. If detailed on-site information regarding geologic, environmental, engineering or other professional studies is desired, Property I.D. recommends that an appropriate qualified professional consultant be retained. Property I.D. has acted in good faith to obtain, from governmental agencies, the adopted publicly distributed natural hazard disclosure information appropriate for inclusion in the Natural Hazard Disclosure Report pursuant to Civil Code Section 1103 et seq. The inclusion of any specific determination in this report does not preclude the possibility that other information could exist that would provide additional or different determinations for the Subject Property. If a recipient of this report has information that is different from a determination contained in this report, or has any questions about this report, he or she should contact Property I.D. before using this document.

**PROPERTY TAX RECORDS**  
**For**  
**8655 LEAVESLEY ROAD, GILROY, CA 95020**  
**APN 898-34-002**

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Based on Property I.D.'s research of available tax records from Santa Clara County for the 2010-2011 tax year, the following determinations are made:

**TOTAL ANNUAL TAX \$24,631.50\***

\* This amount represents the total annual tax fees billed for this property, based on the levies and property valuation as listed in the identified tax records as of the beginning of the identified tax year. This amount is subject to change pursuant to the purchase price of the property and/or changes to the assessed value, and does not include supplemental tax bills or penalty fees.

**Mello-Roos Community Facilities District Levies - Details**

**Notice of Special Tax**

**SUBJECT PROPERTY IS LOCATED IN A MELLO-ROOS COMMUNITY FACILITIES DISTRICT AS OF THE DATE OF THIS REPORT**

The Mello-Roos Community Facilities District Act, enacted in 1982, allows local governments to create tax districts to finance public facility and service improvements such as sewers, electrical upgrades, infrastructure, parks, etc. Mello-Roos taxes must be voted on and approved by a 2/3 majority vote of the property owners in the respective district.

Note: By voter approval new Mello-Roos taxes may be levied against this property in the future.

Code	Description	Contact	Phone	Start	End	Purpose	Max. % Increase	Amount
850	COUNTY LIBRARY - (MELLO ROOS)	GAY STRAND	(408)293-2326x300	2005	2015	LIBRARY		\$67.30

**Special Assessment Levies - Details**

**Notice of Special Assessment**

**SUBJECT PROPERTY IS LOCATED IN A SPECIAL TAX ASSESSMENT DISTRICT**

Special Assessments are taxes levied against parcels for public projects in which the amount of the charge is based on the benefit of the project to the parcel. Assessments based on the 1915 Bond Act are among special assessments, and are generally used to fund public improvement projects such as streets and sewer systems.

Note: By voter approval new Special Assessment taxes may be levied against this property in the future.

Code	Description	Contact	Phone	Amount
820	SCVWD CLEAN SAFE CREEKS	JULIE WILSON	(408)265-3137	\$17.16
884	SCVWD FLOOD ASSMT, SOUTH	SPECIAL TAX BEN. ASSMT HOTLINE	(408)265-2607x281	\$2.98

# PROPERTY TAX RECORDS

(continued)

847	S.C. COUNTY - VECTOR CONTROL DIST	JEANETTE HYNSON	(800)273-5167	\$2.16
848	MOSQUITO ASMT #2	JEANETTE HYNSON	(800)273-5167	\$0.88

## Property Value Adjusted (Ad Valorem) Levies - Details

### SUBJECT PROPERTY IS SUBJECT TO AD VALOREM TAXES

Ad Valorem taxes, also known as “Rate-Based Taxes” are charges calculated as a percentage of the total value of real property, including improvement and land values as determined by the county assessor. California’s standard 1% property tax is included among these rate based taxes.

Note: By voter approval new Ad Valorem taxes may be levied against this property in the future.

Code	Description	Contact	Phone	Rate	Amount
P13	PROP 13 STANDARD 1% TAX	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	1%	\$19826.33 *
AV	LEASE DEBT-GILROY UNIF	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	0.0705%	\$1397.76 *
AV	GILROY UNIFIED SCHOOL 2002	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	0.0545%	\$1080.53 *
AV	CO RETIREMENT LEVY	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	0.0388%	\$769.26 *
AV	LOAN REPAYMENT-GILROY UNIFIED PRIOR YEAR	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	0.0352%	\$697.89 *
AV	GAVILAN COMMUNITY COLLEGE 04	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	0.0199%	\$394.54 *
AV	VMC 2008	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	0.0095%	\$188.35 *
AV	SCVWD-STATE WATER PROJ	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	0.007%	\$138.78 *
AV	COUNTY LIBRARY	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	0.0024%	\$47.58 *
AV	GILROY UNIFIED 11/4/2008	SANTA CLARA COUNTY TAX COLLECTOR	(408)808-7900	--	\$0.00 *

\* This amount represents the fees based on the property valuation as listed in the identified tax records as of the beginning of the identified tax year. This amount is subject to change pursuant to the purchase price of the property and/or changes to the assessed value and does not include supplemental tax bills.

#### Discussion:

This is a notification to you prior to your purchasing this property. If this property is within the above-named assessment district(s), the assessment district(s) issued bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within the assessment district. The bonds will be repaid from annual assessment installments on property within the assessment districts. If this property is subject to annual assessment installments, the assessment districts will appear on the property tax bills, in addition to the regular property taxes and any other charges and levies that will be listed on the property tax bill. If you fail to pay assessment installments when due each year, the property may be foreclosed upon and sold.

# PROPERTY TAX RECORDS

(continued)

Assessment installments will be collected each year until the assessment bonds are repaid. These facilities may not yet have all been constructed or acquired and it is possible that some may never be constructed or acquired. This assessment and the benefits from the public facilities for which it pays should be taken into account in deciding whether to buy this property. This disclosure notice is made pursuant to Government Code Section 53754 and Civil Code Section 1102.6b and satisfies the 1915 Bond and Special Assessment disclosure requirements.

Note: The applicable county tax assessor/collector and Property I.D. update their Tax Assessment information yearly or quarterly. Only Assessments that were levied against properties at the time Property I.D. obtained the tax records are disclosed. This information is subject to change and Property I.D. is not responsible for any changes that may occur. No study of the public records was made by Property I.D. to determine the presence of any other tax or assessment. The above explanation of Special Assessments is intended to be general in nature and is not a substitute for a tax bill, title report or title insurance. Detailed information may be available by contacting the agency that administers the Special Assessment. If detailed information is desired, Property I.D. recommends that an appropriate professional consultant be retained.

In some cases (including some condos, mobile homes, and new subdivisions), the tax roll data disclosed may represent the entire amount for the main parcel when the individual parcels have not been segregated.

## NOTICE OF YOUR SUPPLEMENTAL PROPERTY TAX BILL

California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes. The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector. If you have any question concerning this matter, please call your local Tax Collector's Office.

Note: This is a notice to you that the County Assessor will revalue the property and you will be responsible for paying the taxes due according to the reassessed value. It is not a disclosure of actual supplemental property taxes.

## GENERAL NOTICE OF TRANSFER FEE DISCLOSURE

Some properties may be affected by transfer fees. In the event that the property being transferred is subject to a transfer fee, the transferor is required to make this disclosure. A transferor may request the title company that issued the preliminary title report to provide copies of the documents for review in order for the transferor to determine if the property being transferred is subject to a transfer fee.

A "transfer fee" is any fee payment requirement imposed within a covenant, condition or restriction (CC&R), contained in any deed, contract, security instrument, or other document affecting the transfer or sale of, or any interest in, real property that requires a fee be paid upon transfer of the real property.

If the property being transferred is subject to a transfer fee, the transferor shall provide, at the same time as the transfer disclosure statement is provided, an additional disclosure that includes (1) notice that payment of a transfer fee is required upon transfer of the property; (2) the amount of the fee required for the asking price of the real property and a description of how the fee is calculated; (3) notice that the final amount of the fee may be different if the fee is based upon a percentage of the final sale price; (4) the entity to which funds from the fee will be paid; (5) the purpose for which the funds from the fee will be used; (6) the date or circumstances under which the obligation to pay the transfer fee expires, if any.

You may wish to investigate and determine whether the imposition of a transfer fee, if any, is acceptable to you and your intended use of the property before you complete your transaction.

## GENERAL NOTICES OF REQUIRED DISCLOSURES

### METHAMPHETAMINE CONTAMINATION

Methamphetamine use and production are growing throughout the State of California. Properties may be contaminated by hazardous chemicals used or produced in the manufacture of methamphetamine where those chemicals remain and where the contamination has not been remediated. Once the methamphetamine laboratories have been closed, the public may be harmed by the material and residues that remain.

Because the methamphetamine manufacturing process leads to chemical contamination, the Methamphetamine Contaminated Cleanup Act of 2005 requires a property owner to disclose in writing to a prospective buyer if local health officials have issued an order prohibiting the use or occupancy of a property contaminated by methamphetamine laboratory activity. The owner must also provide the buyer with a copy of the pending order to acknowledge receipt in writing. Property owner(s) must retain a methamphetamine laboratory site remediation firm that is an authorized contractor meeting certain requirements, as defined, to remediate the contamination caused by a methamphetamine laboratory activity. Civil penalties up to \$5,000 can be imposed upon a property owner who does not provide a notice or disclosure required by the act, or upon a person who violates an order issued by the local health officer prohibiting use or occupancy of a property contaminated by a methamphetamine laboratory activity. In addition, local health and law enforcement agencies are required to take specified action, including the filing of a lien against a property for cleanup of the contamination.

Realtors and Property I.D. do not have the requisite expertise to determine the need for testing or cleanup of methamphetamine contamination and cannot verify the information provided about such contamination by others.

### MEGAN'S LAW - SEX OFFENDER DATABASE

Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet website maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). This site provides access to information on persons required to register in California as sex offenders. Specific home addresses are displayed for many offenders in the California communities; as to these persons, the site displays the last registered address reported by the offender. Additional offenders are included on the site with listing by ZIP Code, city, and county. Information on other offenders is not included on this site, but is known to law enforcement personnel.

The California Legislature has created this statewide website to enable the public to secure information regarding the location of registered sex offenders. Anyone who is interested in this information should go on-line at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov) prior to removing their inspection contingency. Brokers and Property I.D. cannot and will not verify the information provided by the Government. Neither Brokers nor Property I.D. make any representations or guarantees as to the timeliness or accuracy of the information supplied at this website.

### ABANDONED WELLS

The Department of Water Resources estimates that there are approximately 750,000 water wells scattered throughout the State of California - some of these wells are abandoned. Wells that have been abandoned pose a serious threat to the safety of humans, especially children, and to animals. Section 24400 of the California Health and Safety Code requires that abandoned excavations be fenced, covered, or filled. In addition, abandoned wells may act as conduits for the contamination of groundwater since inadequately constructed wells provide a physical connection between sources of pollution and useable water.

## TERMS AND CONDITIONS

**IMPORTANT NOTICE:** This "Easy NHD" is a summary of the complete Property I.D.® Mandatory NHD report. This summary does not replace the complete report and it does not remove the requirement to disclose. Buyers and Sellers must read the complete report in its entirety before the close of escrow. This summary is subject to the Terms and Conditions of the complete report. Reports can be emailed directly to recipients from Property Platinum accounts (www.propertyid.com), or call customer service at (800)626-0106.

The Report is subject to each of the following Terms and Conditions. Each Recipient (as that term is defined below) of the Report hereby acknowledges and agrees that the Report is subject to the following Terms and Conditions, and each Recipient agrees to be bound by such Terms and Conditions. Use of this Report by any Recipient constitutes acceptance of the Terms and Conditions to the Report. The Terms and Conditions below are hereby incorporated by this reference into the Report. This Report is not an insurance policy.

The following persons or entities are deemed "Recipients" of this Report: (1) the seller of the real property that is the subject of the specific transaction for which this Report was issued; (2) that seller's agent and broker; (3) the buyer of the real property that is the subject of the specific transaction for which this Report was issued; and (4) that buyer's agent and broker. This Report is for the exclusive use of the Recipients. No person or entity, other than the Recipients, shall be entitled to use or rely on the Report. This Report may not be used, referred to, or relied upon by any person or entity other than the Recipients. No person or entity, other than the Recipients, shall be deemed, treated, or considered to be a beneficiary (intended or otherwise) of this Report. Recipients are obligated to make disclosures that are within their actual knowledge.

This Report has been issued in connection with a particular transaction for the sale of the real property described in the Report. The Report may only be used in connection with that particular transaction. If an escrow number has been provided to Property I.D., then this Report may only be used in connection with that particular escrow. The Report may not be used for any other transaction or escrow.

The Report may not be used, for any purpose, if the Recipients have not paid for the Report.

This Report is made for the real property specifically described in the Report (the "Subject Property"). The Subject Property shall not include any property beyond the boundaries of the real property described in the Report. The Subject Property shall not include any structures (whether located on the Subject Property, or not), easements, or any right, title, interest, estate, or easement in any abutting streets, roads, alleys, lanes, ways, or waterways.

No determination is made and no opinion is expressed, or intended, by this Report concerning the right, entitlement, or ability to develop or improve the Subject Property. Property I.D. has no information concerning whether the Subject Property can be developed or improved. Property I.D. expresses no opinion or view, and assumes no responsibility, with respect to the development or improvement of the Subject Property.

No determination is made and no opinion is expressed, or intended, by this Report as to title to the Subject Property. No determination is made and no opinion is expressed, or intended, by this Report concerning whether the Subject Property is comprised of legal lots in conformance with the California Subdivision Map Act or local ordinances.

No determination is made and no opinion is expressed, or intended, by this Report concerning architectural, structural, mechanical, engineering, or legal matters. No determination is made and no opinion is expressed, or intended, by this Report concerning structures or soils on or outside of the Subject Property, including, without limitation, habitability of structures or the Subject Property, suitability of the Subject Property for construction or improvement, potential for soil settlement, drainage, soil subsidence, or other soil or site conditions. No determination is made and no opinion is expressed, or intended, by this Report concerning the marketability or value of the Subject Property.

Property I.D. has not conducted any testing of the Subject Property. Property I.D. has not conducted any physical or visual examination or inspection of the Subject Property. This Report is not a substitute for a physical or visual examination or inspection of the Subject Property.

No determination is made and no opinion is expressed, or intended, by this Report concerning the existence of hazardous or toxic materials or substances, or any other defects, on or under the Subject Property, unless specifically described in the Report.

No determination is made and no opinion is expressed, or intended, by this Report concerning any condition of the Subject Property, unless that condition is specifically described in the Report. The Report is intended to address only those matters expressly described in the text of the Report. The Report is not intended to address any matter (either expressly or impliedly) not specifically described in the text of the Report.

This Report is issued as of the date identified in the Report. Property I.D. shall have no obligation to advise any Recipient of any information learned or obtained after the date of the Report even if such information would modify or otherwise affect the Report. Subsequent to Property I.D.'s acquisition of Government Records, changes may be made to said Government Records and Property I.D. is not responsible for advising the Recipients of any changes. Property I.D. will update this Report upon request and at no charge during the transaction process for which this Report was issued, but not to exceed one year from the date of the Report. Likewise, Property I.D. is not liable for any impact on the Subject Property that any change to the Government Records may have.

No determination is made and no opinion is expressed, or intended, by this Report concerning the need to purchase earthquake or flood insurance for the Subject Property.

In preparing the Report, Property I.D. has accurately reported on information contained in Government Records. Property I.D. has reviewed and relied upon those Government Records specifically identified and described in the Report. Property I.D. has not reviewed or relied upon any Government Records that are not specifically identified in the Report. Property I.D. also has not reviewed any parcel maps, plat maps, survey maps, surveyor maps, assessor maps, assessor parcel maps, developer maps, or engineering maps, whether or not such maps have been recorded. No determination is made and no opinion is expressed, or intended, by the Report concerning any matters identified in Government Records that were not reviewed by Property I.D. If any Recipient has a question concerning the specific Government Records reviewed (or not reviewed) by Property I.D., then the Recipients should contact Property I.D.'s Customer Service Department at (800) 920-5603.

Mapped hazard zones may represent generalized hazard information. If the questionable edge of a hazard zone impacts any portion of the Property, the report will reflect that the Property is "IN" the zone. If the Property is situated in a condominium complex, planned unit development, or mobile home park and any portion of the common areas of the complex in which the Subject Property is located is situated in the specified hazard zone, "IN" will be reported even if the Subject Property/Unit/Lot which is the subject of the transaction for which this report was ordered is itself not in the specified hazard zone.

Property I.D. has relied upon the Government Records specifically identified in the Report without conducting an independent investigation of their accuracy. Property I.D. assumes no responsibility for the accuracy of the Government Records identified in the Report.

To the extent that any Recipient has provided information to Property I.D. (including, without limitation, a legal description of the Subject Property), Property I.D. has relied upon that information in preparing this Report. Property I.D. has not conducted an independent investigation of the accuracy of the information provided by the Recipient. Property I.D. assumes no responsibility for the accuracy of information provided by the Recipient. Property I.D. shall be subrogated to all rights of any claiming party against anyone including, but not limited to, another party who had actual knowledge of a matter and failed to disclose it to the Recipients in writing prior to the close of escrow.

Except as specifically described in the Report, Property I.D. makes no warranty or representation of any kind, express or implied, with respect to the Report. Property I.D. expressly disclaims and excludes any and all other express and implied warranties, including, without limitation, warranties of merchantability or fitness for a particular purpose.

Property I.D. shall have no responsibility, or liability, for any lost profits, consequential damages, special damages, indirect damages, or incidental damages allegedly suffered as a result of the use of, or reliance on, the Report.

The Report shall be governed by, and construed in accordance with, the laws of the State of California.

This Report constitutes the entire, integrated agreement between Property I.D. and Recipients, and supersedes and replaces all prior statements, representations, negotiations, and agreements.

If any provision of the Terms and Conditions to this Report is determined to be invalid or unenforceable for any reason, then such provision shall be treated as severed from the remainder of the Terms and Conditions, and shall not affect the validity and enforceability of all of the other provisions of the Terms and Conditions.

Any dispute, controversy, or claim arising out of, or relating in any way, to the Report, shall be resolved by arbitration in Los Angeles, California, in accordance with the arbitration rules of the Judicial Arbitration and Mediation Service ("JAMS"). The prevailing party in the arbitration shall be entitled to its attorneys' fees and costs, including, without limitation, the fees of the arbitrator.