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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP FOR

2012-12A DELAWARE STREET CONDOMINIUMS

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DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP FOR

2012-12A DELAWARE STREET CONDOMINIUMS

THIS DECLARATION is made this ___ day of _______ 19__, by Raymie Roland, H.E. Roland and Elayne M. Roland, hereinafter referred to as "Declarant."

RECUITALS

THIS DECLARATION is made with reference to the following facts:

A. Declarant is the Owner of all that certain real property (the "Property") located in the City of Berkeley, County of Alameda, State of California, and particularly described in Exhibit A attached.

B. The Property, along with its improvements, shall also be referred to as the "Project," as defined in Section 1.22. It is the desire and intention of Declarant to convert the Property into two (2) detached residential Condominium Units. By this Declaration, Declarant intends to establish a plan of Condominium ownership. The mailing addresses for the Units are as follows: Unit 1 - #2012; and Unit 2 - #2012A.

C. It is Declarant's intention to subject the Project, and the use and ownership thereof, now and in the future, to certain limitations, covenants, conditions, restrictions, easements, liens, charges and equitable servitudes as are set forth herein for the benefit of such Project and the future Owners and users thereof.

NOW, THEREFORE, DECLARANT HEREBY DECLARES AS FOLLOWS:

ARTICLE 1 - DEFINITIONS

Unless otherwise indicated, the following terms shall have the following meanings when used in this Declaration:

1.1 Act. "Act" means Title 6, Sections 1350 through 1373, inclusive, of the Civil Code of California, entitled "Davis-Stirling Common Interest Development Act," as the same
may be amended from time to time.

1.2 **Assessments.** "Assessment" means a charge levied by the Association against an Owner and his or her Condominium in accordance with the provisions of this Declaration. The specific types of Assessments are defined as follows:

(A) "Regular Assessment" means a charge levied against an Owner and his or her Condominium for such Owner’s proportionate share of the Association’s annual costs as provided in Article 12.

(B) "Special Assessment" means a charge levied against an Owner and his or her Condominium for other purposes as provided in Article 12.

1.3 **Association.** "Association" shall mean and refer to the 2012-12A DELAWARE STREET HOMEOWNERS’ ASSOCIATION, an unincorporated association, and its successors and assigns.

1.4 **Association Rules.** "Association Rules" shall mean the rules adopted by the Association as provided in Section 7.1(D).

1.5 **Bylaws.** "Bylaws" means the Association’s Bylaws and any amendments which set forth procedural matters relating to the internal governance of the Project.

1.6 **Common Area.** "Common Area" means the entire Project except all Units as defined in this Declaration and as shown on the Condominium Plan.

1.7 **Condominium.** "Condominium" means an estate in real property, as defined in California Civil Code §783 and §1351(f), consisting of an undivided interest as a tenant in common in all or any portion of the Common Area, together with a separate fee interest in a Unit and any other separate interests in the real property as are described in this Declaration, in the Condominium Plan, or in the deed conveying the Condominium.

1.8 **Condominium Plan.** "Condominium Plan" means a Condominium Plan recorded pursuant to California Civil Code §1351(e) with respect to the Project, and any amendments to the Condominium Plan. A copy of the Condominium Plan is attached hereto as Exhibit B. The execution of this Declaration by Declarant or the execution of a subordination by any lender constitutes consent to the recordation of the Condominium Plan.

1.9 **County.** "County" means the County of Alameda, State of California.

1.10 **Declarant.** "Declarant" means Raymie Roland, H.E. Roland and Elayne M. Roland, and any successor or assign to whom Declarant assigns its interest as Declarant in whole or in part.

1.11 **Declaration.** "Declaration" means this Declaration of Covenants, Conditions and Restrictions and any amendments or supplements hereto.
1.12 **Exclusive Use Common Area.** "Exclusive Use Common Area" means that portion of the Common Area that is reserved for the exclusive use of an Owner but located outside the boundaries of that Owner's Unit. The boundaries or location of and limitations on the Exclusive Use Common Area are described in Section 4.3.

1.13 **Governing Documents.** "Governing Documents" is a collective term that means and refers to this Declaration, the Bylaws and to the Association Rules.

1.14 **Improvement.** "Improvement" includes, without limitation, the construction, installation, alteration, or remodeling of any building, walls, decks, fences, landscaping structures, skylights, antennas, utility lines, or any structure of any kind.

1.15 **Insurance Trustee.** "Insurance Trustee" means an institutional lender, commercial escrow company or title company with trust powers in the County as may be designated by the Association to hold and disburse funds as trustee for the Association and the Owners, as provided in Section 13.1(A).

1.16 **Insurer or Guarantor.** "Insurer" or "Guarantor" shall mean an insurer or governmental guarantor of a Mortgage.

1.17 **Map.** "Map" shall mean and refer to that Parcel Map No. _____, filed for record the ___ day of _____________, 19___, in Book ____ of Parcel Maps at page(s) ____ through ____ in the records of the County.

1.18 **Member.** "Member" means every person or entity holding a membership in the Association, and whose rights as a Member are not suspended pursuant to Section 7.1(D).

1.19 **Mortgage.** "Mortgage" means a bona fide mortgage or deed of trust which encumbers a Condominium or other portion of the Project.

1.20 **Mortgagor.** "Mortgagor" means the beneficiary under a deed of trust and any guarantor or insurer of a Mortgage. An "institutional" Mortgagor is a Mortgagor that is a bank or savings and loan association or Mortgage company or other entity chartered or licensed under federal or state laws whose principal business is lending money on the security of real property or investing in such loans, or any insurance company or any federal or state agency or instrumentality, including, without limitation, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. A "first" Mortgage, or "first" Mortgagor is one having priority as to all other Mortgages or holders of Mortgages encumbering the same Condominium or other portions of the Project.

1.21 **Owner.** "Owner" means the record fee title Owner, whether one or more persons or an entity, of a fee simple title to any Condominium and shall include a contract purchaser, provided the contract purchaser is in possession under a recorded contract of sale. "Owner" shall also mean Member of the Association. "Owner" shall not include any person who holds an interest in a Condominium merely as security for the performance of an obligation or as a tenant.
1.22 **Project.** "Project" means the Property and all the improvements on the Property.

1.23 **Property.** "Property" means that parcel of real property described in Recital A, and more particularly described in Exhibit A attached.

1.24 **Unit.** "Unit" means the elements of a Condominium that are not owned in common with the other Owners of Condominiums in the Project. Such Units and their respective boundaries are shown in and particularly described in the Condominium Plan (Exhibit B), deeds conveying Condominiums, and this Declaration. "Unit" does not include other interests in real property that are less than estates in real property, such as exclusive or nonexclusive easements. In interpreting deeds and plans the existing physical boundaries of a Unit or of a Unit reconstructed in substantial accordance with the original plan shall be conclusively presumed to be its boundaries, rather than the description expressed in the deed or Condominium Plan, regardless of minor variance between boundaries shown on the Condominium Plan or in the deed and those of the buildings and regardless of settling or lateral movement of the buildings. Whenever reference to a Unit is made in this Declaration, in the Condominium Plan, in any deed, or elsewhere, it shall be assumed that such reference is made to the Unit as a whole, including each of its component elements.

**ARTICLE 2 - SUBMISSION AND TERM**

2.1 **Submission.** Declarant declares that the Project is, and shall be, held, conveyed, hypothecated, encumbered, sold, leased, rented, used, occupied and improved subject to each and all of the limitations, covenants, conditions, restrictions, easements, liens, charges, assessments and equitable servitudes set forth herein, all of which are declared and agreed to be in furtherance of a plan of condominium ownership as described in the Act for the subdivision, improvement, protection, maintenance, and sale of Condominiums within the Project, and all of which are declared to be for the purpose of enhancing, maintaining and protecting the value, desirability and attractiveness of the Project and every part thereof. All of the limitations, covenants, conditions, restrictions, easements, liens, charges, assessments and equitable servitudes set forth herein shall run with, be binding on and inure to the benefit of each and every person having or acquiring any right, title or interest in the Project, and shall be binding upon and inure to the benefit of the successors in interest of such persons. Declarant further declares that it is the express intent that this Declaration satisfy the requirements of California Civil Code §1353 and §1354.

2.2 **Incorporation of Declaration Into Instruments.** Any deed or other instrument by which a Condominium is conveyed shall be subject to the provisions of this Declaration and shall incorporate the provisions of this Declaration, whether or not such deed or other instrument makes reference hereto.

**ARTICLE 3 - COMPLIANCE WITH GOVERNING DOCUMENTS**

3.1 **Compliance with Governing Documents.** All present and future Owners, occupants and tenants of Units within the Project shall be subject to, and shall comply with,
each and every provision of the Governing Documents, as the same or any of them shall be amended from time to time, unless a particular provision is specifically restricted in its application to one or more of such classes of persons (i.e., Owners, tenants, invitees, etc.). The acceptance of a deed to any Condominium, the entering into a lease, sublease or contract of sale with respect to any Unit, or the occupancy of any Unit shall constitute the consent and agreement of such Owner, tenant or occupant that each and all of the provisions of the Governing Documents, as the same or any of them may be amended from time to time, shall be binding upon said person and that said person will observe and comply with the Governing Documents.

3.2 Resolution of Conflicts Between Documents. If there are any matters of conflict or inconsistencies between the Association Rules and this Declaration, or between the Bylaws and this Declaration, then the provisions of this Declaration shall prevail. If there are any matters of conflict or inconsistencies between the Association Rules and the Bylaws, then the provisions of the Bylaws shall prevail.

ARTICLE 4 - PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

4.1 Elements of Condominium. Ownership of each Condominium within the Project shall include a Unit; an undivided interest in the Common Area which is set forth in Exhibit C and shall be specified in the deed from Declarant to each Owner and which undivided interest cannot be altered or changed as long as the prohibition against severability of component interests in a Condominium remains in effect as provided in this Declaration; a membership in the Association; and any Exclusive Use Common Area appurtenant to such Condominium over the Common Area as described in this Declaration, the Condominium Plan and the deed to the Condominium.

4.2 Owners’ Nonexclusive Easements; Association Rights. Every Owner has nonexclusive rights of use, enjoyment, ingress, egress, and support in, to, and throughout the Common Area and any improvements or facilities on these areas. However, such nonexclusive rights shall be subordinate to, and shall not interfere with, Exclusive Use Common Area. Each such nonexclusive right shall be appurtenant to the respective Condominium and shall pass with the title to the Condominium. Nonexclusive rights shall be subject to the following rights and restrictions:

(A) The right of the Association to adopt and to enforce Association Rules with respect to the Common Area, including the right to regulate the kind of vehicles, the speed of such vehicles, and the parking of such vehicles in and about the Common Area.

(B) Subject to any restrictions as provided for in this Declaration, the right of the Association to borrow money to improve, repair or maintain the Common Area; provided, however, that any security interest granted in order to borrow such money shall be subordinate to the rights of the Owners hereunder.
4.3 **Exclusive Use Common Area.**

A) **Yard.** Each Owner shall have an exclusive right to use and enjoy that yard designated on the Condominium Plan as such and bearing that Owner's Unit number (e.g., "Y-1" designates the yard to be exclusively used by the Owner of Unit 1, etc.). The approximate dimensions of the yards are shown on the Condominium Plan.

B) **Parking Space.** Each Owner shall have an exclusive right to use and enjoy that parking space designated on the Condominium Plan as such and bearing that Owner's Unit number (e.g., "PS-1" designates the parking space to be exclusively used by the Owner of Unit 1, etc.). The approximate dimensions of the parking spaces are shown on the Condominium Plan.

Exclusive use Common Area reserved for each Owner shall be appurtenant to such Owner's Unit and may not be conveyed or transferred apart from the Unit. Except as expressly provided in this Declaration, no other portion of the Project is Exclusive Use Common Area. All easements to Exclusive Use Common Area are subject to the right of the Association or any Owner to enter in and upon Exclusive Use Common Area as provided by and in accordance with the limitations upon such right as set forth in this Declaration.

4.4 **No Severance.** No Owner shall be permitted to sever his or her Unit from his or her membership in the Association and none of the component interests in a Condominium can or shall be severed from the other component interests or separately sold, conveyed, encumbered, hypothecated or otherwise transferred. Any sale, conveyance, encumbrance, hypothecation, transfer or other action in violation of this prohibition shall be void.

4.5 **Provisions For Partition of Common Area.**

(A) **Suspension.** Except as expressly provided in this clause, an Owner shall have no right to partition or divide his or her ownership of the Common Area. Partition of the Common Area can be had on a showing that the conditions to such partition as stated in Section 14.7 (relating to damage or destruction) or in Section 15.2 (relating to condemnation) or in Civil Code §1359 have been met. Nothing in this Declaration shall prevent partition of a cotenancy in a Condominium.

(B) **Distribution of Proceeds.** Proceeds or property resulting from a partition shall be distributed to and among the respective Owners and their Mortgagees as their interests appear in proportion to the ratio that the fair market value of each Owner's Condominium bears to the fair market value of all Owners' Condominiums determined as provided in Section 15.4, but as of a date immediately prior to the event giving rise to the right of Owners to partition the Common Area.

(C) **Power of Attorney.** Each of the Owners irrevocably appoints the Association as attorney-in-fact and irrevocably grants to the Association full power in the name and stead of such Owner to sell the entire Project, and to execute deeds and conveyances to it, in one or more transactions, for the benefit of all Owners when partition of
the Project may be had under California Civil Code §1359 and under the circumstances authorizing partition under this Declaration. The power of attorney shall (i) be binding on all Owners, whether they assume the obligations under this Declaration or not; (ii) be exercisable by a majority of the Association; and (iii) be exercisable only after recordation with the County Recorder of a certificate executed by those who have power to exercise the power of attorney that is properly exercisable under the authority of this Declaration. This certificate shall be conclusive evidence of proper exercise in favor of any person relying on it in good faith.

4.6 Leasing of Units and Delegation of Use.

(A) Any Owner may delegate the Owner’s rights to use and enjoy the Common Area to members of the Owner’s family, guests, the Owner’s tenants, employees and invitees, and to such other persons as may be permitted by the Bylaws and the Association Rules, subject however, to this Declaration.

(B) An Owner may rent his or her Unit. The renting Owner shall comply with the Berkeley Rent Control Ordinance and relevant regulations. Any lease or rental agreement between an Owner and a tenant shall be in writing and shall provide that it is in all respects subject to the provisions of the Governing Documents, that any failure by the tenant to comply with such provisions shall be a default under the lease or rental agreement, and that all provisions of the Governing Documents shall be deemed incorporated by reference in such lease or rental agreement. However, the failure of any lease or rental agreement to so provide shall not excuse the tenant from complying with such provisions. Any lease or rental agreement shall also provide that the tenant may not sublease the Unit. In the event of such a default, the Owner shall take all action to cure the default including, if necessary, eviction of the tenant. Each Owner-lessee shall provide any tenant or lessee with a current copy of all Governing Documents.

(C) If an Owner has sold his or her Condominium to a contract purchaser or has leased or rented it, the Owner, members of the Owner’s family, guests, tenants, employees, and invitees shall not be entitled to use and enjoy any of such rights in the Project while the Owner’s Unit is occupied by the contract purchaser or tenant. Instead, the contract purchaser, or tenant, while occupying such Unit, shall be entitled to use and enjoy such rights and can delegate the rights of use and enjoyment in the same manner as if such contract purchaser or tenant were an Owner during the period of his or her occupancy. This Section shall not apply to a situation where the Owner rents to a “roommate” and continues to occupy the Unit along with such roommate.

(D) An Owner shall not be released or relieved from the obligation to pay Assessments by reason of any lease or rental of such Owner’s Unit, regardless of whether the obligation to pay Assessments has been delegated to the tenant. For purposes of this Section 4.6, “Owner” shall be deemed to include any tenant or subtenant and “lease” shall be deemed to include a sublease. The Association and each Owner shall have a right of action directly against any tenant, as well as against the Owner, for nonperformance of any of the provisions of the Governing Documents to the same extent that such right of action exists against such
4.7 **Obligations of Owners.** Owners of Condominiums within the Project shall be subject, without limitation, to the following:

(A) **Notification of Use Delegation.** Each Owner shall notify the secretary of the Association of the names of any contract purchaser or tenant of the Owner’s Condominium, the current address and telephone number of the Owner if the Owner no longer resides on the Project and a true and complete copy of any lease or rental agreement. Each Owner, contract purchaser or tenant shall also notify the secretary of the Association of the names of all persons to whom such Owner, contract purchaser or tenant has delegated any rights to use and enjoy the Project and the relationship that each such person bears to the Owner, contract purchaser or tenant. Any delegated rights of use and enjoyment are subject to suspension to the same extent as are the rights of Owners.

(B) **Contract Purchasers.** A contract seller of a Condominium must delegate his or her voting rights as a Member of the Association and seller’s right to use and enjoy the Common Area to any contract purchaser in possession of the Condominium subject to the contract of sale. Notwithstanding the foregoing, the contract seller shall remain liable for any default in the payment of Assessments by the contract purchaser until title to the Condominium sold has been transferred to the purchaser.

(C) **Notification Regarding Governing Documents.** As more particularly provided for in California Civil Code §1368, as soon as reasonably practicable before transfer of title or the execution of a real property sales contract with respect to any Condominium, the Owner thereof must give the prospective purchaser: (i) a current copy of the Governing Documents; (ii) the Association’s most current financial statement; and (iii) a true statement in writing from the Association ("delinquency statement") as to the amount of any delinquent Assessments, together with information relating to late charges, attorneys’ fees, interest, and reasonable costs of collection which, as of the date the statement is issued, are or may become a lien on the Condominium being sold. The provisions of this section, except for those provisions relating to the furnishing of a delinquency statement, shall not apply to any Owner subject to the requirements of California Business and Professions Code §11018.1.

(D) **Payment of Assessments.** Each Owner shall pay when due all Assessments levied in accordance with Article 12.

(E) **Joint Ownership.** In the event of joint ownership of any Condominium, the obligations and liabilities of the multiple Owners under the Governing Documents shall be joint and several.

**ARTICLE 5 - EASEMENTS AND RIGHTS OF ENTRY**

5.1 **Rights of Entry and Use.** Each Condominium and its Unit or the Common Area, as the case may be, shall be subject to the following rights of entry and use: (i) the right of the Association, or its agents to perform its obligations and duties under this
Declaration; and (ii) any easements as shown on the Map.

5.2 Utility Maintenance Easement. The rights and duties of the Owners with respect to sanitary sewer, drainage, water, electric, gas, television receiving, and telephone equipment, cables and lines (collectively, "utilities") shall be as follows:

Any Owner shall have the right of reasonable access, for himself or herself, for the respective utility companies and for the City of Berkeley, over the Common Area, including Exclusive Use Common Area, to repair, to replace and to generally maintain any utilities serving such Owner's Unit, wherever such utilities may be located.

5.3 Support, Maintenance and Repair Easement. The Association and each Owner shall have a non-exclusive right and easement appurtenant to the Common Area and through the Common Area for the support, maintenance and repair of the Common Area.

5.4 Encroachment Easements. If any portion of the Common Area encroaches on any Unit or if any portion of a Unit encroaches on the Common Area due to engineering errors, errors in original construction, settlement or shifting of structures, or any other similar cause, a valid easement exists for such encroachment and for the maintenance of it as long as it remains, and all Units and the Common Area are made subject to such easements, and the rights and obligations of Owners shall not be altered in any way by such encroachment; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if such encroachment occurred due to the intentional conduct of such Owner or Owners. In the event any structure containing a Unit is partially or totally destroyed, and then repaired or rebuilt and any minor encroachment on the Common Area results, a valid easement exists for such encroachment and for the maintenance of it as long as it remains, and all Units and the Common Area are made subject to such easements.

5.5 Power to Grant Easements. The Association, by unanimous vote, shall have the power to grant and convey in the name of all the Owners as their attorney-in-fact (or in the name of the Association as to any property to which the Association holds title) to any Owner or other party easements and rights-of-way in, on, over, or under the Common Area for the purpose of establishing Exclusive Use Common Area in favor of an Owner and for the purpose of constructing, erecting, operating or maintaining lines, cables, wires, conduits, or other devices for electricity, cable television, power, telephone and other purposes, public sewers, storm water drains and pipes, water systems, sprinkler systems, water, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities; and each purchaser, in accepting a deed to a Condominium, expressly consents to such easements and rights of way and authorizes and appoints the Association as attorney-in-fact of such Owner to execute any and all instruments conveying or creating such easements or rights of way.

5.6 Easement to Governmental Entities. All governmental and quasi-governmental entities, agencies and utilities and their agents shall have a non-exclusive easement over the Common Area for the purposes of performing their duties within the Project.

5.7 Other Easements. Each Condominium is subject to all easements, dedications,
and rights-of-way granted or reserved in, on, over, and under the Property as shown on the Map.

ARTICLE 6 - THE ASSOCIATION: MEMBERSHIP AND VOTING RIGHTS

6.1 **Unincorporated Association.** The Association shall be an unincorporated Association. The Association shall be charged with the duties and invested with the powers set forth in this Declaration.

6.2 **Membership.** Every person or entity who is a record Owner of a fee or undivided fee interest in a Condominium, pursuant to the terms of this Declaration, shall be a Member of the Association; provided, however, that no Owner shall hold more than one (1) membership even though such Owner owns an interest in more than one (1) Condominium. Membership shall be appurtenant to and may not be separate from the fee ownership of any Condominium. Membership shall be held in accordance with this Declaration.

6.3 **Transferred Membership.** Membership in the Association shall not be transferred, encumbered, pledged, or alienated in any way, except upon the sale or encumbrance of the Condominium to which it is appurtenant, and then only to the purchaser, in the case of a sale, or the holder of a bona fide mortgage or deed of trust, in the case of an encumbrance of such Condominium. Membership shall terminate automatically when the Owner no longer holds any ownership interest in any Condominium. Upon any transfer of title to an Owner's Condominium, including a transfer upon the death of an Owner, membership passes automatically with the title to the transferee.

Notwithstanding anything to the contrary in this Declaration, a holder of a bona fide mortgage or deed of trust does not have membership rights until it obtains title to the Condominium through foreclosure or deed in lieu thereof. Any attempt to make a prohibited transfer is void. No Owner may resign his or her membership. On notice of a transfer, the Association shall record the transfer on its books.

6.4 **Membership Voting.** An Owner shall be entitled to one (1) vote for each Condominium owned. When more than one person holds an undivided fee interest in any Condominium, all such persons shall be entitled to all rights and privileges of membership. The vote of such Condominium shall be exercised as its Owners collectively determine, but in no event shall more than one vote be cast with respect to any Condominium.

6.5 **Vesting of Voting Rights.** Voting rights shall vest at the time Assessments are levied against the Owner's Condominium.

6.6 **Voting Procedures.** Any Owner may attend meetings of the Association and vote in person or by an agent duly appointed by an instrument in writing signed by the Owner.

6.7 **Joint Ownership Votes.** The vote that is attributed to each Condominium may not be cast on a fractional basis. If the Condominium has more than one Owner and the
Owners are unable to agree as to how the vote should be cast, the vote shall be forfeited on the matter in question. If one Owner casts the vote attributed to a Condominium, the vote shall conclusively bind all the Owners of that Condominium. If more than one Owner casts the vote attributed to a Condominium, the votes cast by such Owners shall not be counted and shall be considered void. Under no circumstances shall the Association be responsible to settle voting disputes between joint Owners.

6.8 Unanimous Approval Required. Except as otherwise provided in this Declaration, all decisions and actions requiring the approval of Owners shall be deemed approved if the Owners unanimously assent to such decision or action in writing or by written ballot, or if such decision or action is unanimously approved at any duly called meeting, either in person or by proxy, by all the Owners. Documents to be executed by the Association shall be signed by all Owners.

ARTICLE 7 - THE ASSOCIATION: POWERS AND DUTIES

7.1 Powers of the Association. The Association shall have all the powers granted to a nonprofit mutual benefit corporation, as enumerated in §7140 of the Corporations Code, subject only to such limitations on the exercise of its powers as are set forth in this Declaration. However, the Association, so long as it remains unincorporated, may not adopt or use a corporate seal or issue membership certificates in accordance with §7313 of the Corporations Code. The purposes and powers of the Association are to provide for the operation, control and maintenance of certain parts of the Project, and to provide enforcement of the provisions of the Governing Documents and any other instruments relating to the management and control of the Association and the Project. Without in any way limiting the generality of the foregoing, the Association shall have the power and authority to do all of the following acts:

(A) Contracts. The Association shall have the right and power to contract for such services, labor, goods and materials for those parts of the Project the Association is responsible to maintain as it may deem reasonable or necessary.

(B) Maintenance. The Association shall have the power to maintain, repair, and make capital improvements to the Project in accordance with Article 8. The Association may also purchase equipment, tools, supplies and other personal property as the Association deems necessary for use in such maintenance and repair.

(C) Assessments. The Association shall have the power to fix, levy, and collect Assessments as provided in Article 12.

(D) Association Rules. The Association shall have the power from time to time and subject to the provisions of this Declaration to adopt, amend and repeal Association Rules. The Association Rules shall not be inconsistent with the provisions of this Declaration. No Association Rule may be adopted which discriminates among Owners or which materially affects the rights, preferences or privileges of any Owner set forth in this Declaration. Any amendment to the Association Rules shall be effective thirty (30) days
from the date of adoption thereof by the Association or at such later date as the Association may designate at the time of adoption of the amendment. A copy of any Association Rule shall be delivered to each Owner either in person or by mail, postage prepaid at least ten (10) days before the effective date of such Association Rule.

(E) **Right to Enter.** The Association’s agents shall have the right to enter any Unit in accordance with Section 5.1.

(F) **Enforcement.** The Association shall have the power and authority to enforce the provisions and restrictions of the Governing Documents.

(G) **Legal Action.** The Association shall have standing to institute, defend, settle or intervene in litigation, arbitration, mediation or administrative proceedings in its own name as the real party in interest and without joining with it the individual owners of Condominiums, in matters pertaining to enforcement of the Governing Documents as well as matters pertaining to the exercise of its powers and the fulfillment of its duties in accordance with the Governing Documents and applicable law.

The costs of any such legal action, including any reasonable attorneys’ fees, shall be charged against any Owner whose breach or threatened breach of the Governing Documents caused the preparation and filing of such legal action, and may be recovered in the legal action or through separate proceedings. Failure to enforce the provisions of the Governing Documents shall not be deemed a waiver of the right to do so thereafter. All remedies provided in the Governing Documents shall be cumulative and in addition to any other legal remedies available.

(H) **Manager.** The Association may employ a professional Manager with homeowner’s association management experience, and the Association may delegate its powers to such Manager subject to the limitations set forth in Section 7.3.

(I) **Common Area.** The Association is hereby irrevocably appointed as the attorney-in-fact for the Owners of each and every Unit to (i) manage, control and deal with the interests of such Owners in the Common Area so as to permit the Association to fulfill all of its obligations hereunder and to exercise all of its rights hereunder. The acceptance by any person or entity of any interest in any Unit shall constitute an appointment of the Association as the Owner’s attorney-in-fact as provided above.

7.2 **Duties of Association.** In addition to the duties and powers enumerated in the Bylaws or elsewhere provided for herein, and without limiting the generality thereof, the Association shall have the following duties:

(A) **Maintenance.** The Association shall maintain and repair parts of the Project in accordance with Article 8.

(B) **Acceptance of Members.** Subject to the suspension of a Member’s voting rights in accordance with this Declaration, the Association shall accept all Owners as
Members.

(C) Annual Membership Meeting. The Association shall hold an annual meeting of the members as provided in the Bylaws and any special meetings shall be called in accordance with the Bylaws.

(D) Payment of Taxes. The Association shall pay all real property taxes and assessments levied upon the Project to the extent not separately assessed to the Owners as provided in Section 9.3.

(E) Preparation and Distribution of Financial Statements, Reports, and Copies of Governing Instruments. This section is intended to implement the requirements established by Section 1365 of the California Civil Code. To the extent that Section 1365 is amended or replaced, the provisions of this Section shall be automatically amended and replaced by the new statutory provisions. Each year, the Association shall prepare and distribute the following documents to all its Members:

(1) A pro forma operating budget for each "fiscal year" (as defined in Section 12.6) shall be distributed not less than forty-five (45) days nor more than sixty (60) days before the beginning of the fiscal year consisting of at least the following:

(i) the estimated revenues and expenses on an accrual basis;

(ii) a summary of the Association's reserves based on the most recent reserves review or study conducted under California Civil Code §1365.5, which shall be printed in bold type and shall include the following:

(a) the current estimated replacement cost, estimated remaining life, and estimated useful life of each major component that the Association is obligated to maintain (collectively the "major components");

(b) as of the end of the fiscal year for which the study was prepared: (1) the current estimate of cash reserves necessary to repair, replace, restore or maintain the major components; (2) the current amount of accumulated cash reserves actually set aside to repair, replace, restore or maintain the major components; and (3) the percentage of the amount in (b)(1) that the amount in (b)(2) represents;

(iii) a statement as to whether the Association has determined or anticipates that the levy of one or more Special Assessments will be required to repair, replace or restore any major component or to provide adequate reserves therefor; and

(iv) a general statement addressing the procedures used for the calculation and establishment of those reserves to defray the future repair, replacement, or additions to those major components the Association is obligated to maintain.

Instead of distributing the pro forma operating budget, the Association may elect to
distribute a summary of the budget to all of its Members with a written notice that the budget is available at the business office of the Association or at another suitable location within the boundaries of the Project and that copies will be provided on request at the expense of the Association. The notice must be in at least 10-point bold type and must appear on the front page of the summary of the budget. Any Member who requests a copy of the budget shall be provided a copy by the Association by first class United States mail at the Association’s expense within five (5) days of the date the Association receives the request.

(2) A review of the financial statement of the Association shall be prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy for any fiscal year in which the gross income to the Association exceeds seventy-five thousand dollars ($75,000). A copy of the review of the financial statement shall be distributed within 120 days after the close of each fiscal year.

(3) A statement of the Association’s policies and practices in enforcing its remedies against Owners for delinquent Regular or Special Assessments including the recording and foreclosing of liens against a delinquent Owner’s Condominium. A copy of this statement shall be distributed to each Owner and any Mortgagee that has requested a copy within sixty (60) days prior to the beginning of each fiscal year; and

(4) Copies of the Governing Documents, and the statement regarding delinquent Assessments as described in Section 12.14 shall be provided to any Owner within ten (10) days of the mailing or delivery of a written request. The Association may impose a fee to provide these materials not to exceed the Association’s reasonable costs in preparing and reproducing the materials.

(F) Insurance. The Association shall obtain and maintain in force the insurance described in Article 13.

(G) Enforcement. The Association shall enforce the provisions and restrictions of the Governing Documents. The determination to enforce and the mechanism of enforcement shall be within the sole discretion of the Association.

(H) Other Duties. The Association shall perform such other acts as may be reasonably necessary to exercise its powers or perform its duties under any of the provisions of the Governing Documents.

7.3 Limitations on Authority of the Association’s Manager. If the Association hires a professional manager or otherwise designates a Member as manager, the manager may not, except with the unanimous vote or written assent of all the Owners, take any of the following actions:

(A) Incur aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;
(B) Sell during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;

(C) Pay compensation to members of the Association for services performed in the conduct of the Association’s business, provided that the manager may reimburse a Member for reasonable expenses incurred in conducting the business of the Association; or

(D) Enter into a contract with a third person to furnish goods or services for the Common Area or the Association for a term longer than one (1) year, with the following exceptions:

(1) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission, provided the term does not exceed the shortest term for which the supplier will contract at the regulated rate; and

(2) Prepaid casualty and/or liability insurance policies that do not exceed three (3) years duration, provided that the policy permits early cancellation by the insured.

7.4 Impermissible Restrictions Upon Alienation. The Association shall not impose any restrictions, whether directly or indirectly, on the right of an Owner to sell his or her Condominium, except upon reasonable objective standards which are consistent within the general plan of enhancing and perfecting the value, desirability and attractiveness of the Project, none of which shall be based upon the race, color, religion, sex, marital status, national origin or ancestry of the purchaser.

7.5 Inspection of Association Books and Records. Any Owner, or that Owner’s duly appointed representative, after giving reasonable notice to the appropriate custodian, shall have access to the Association’s membership register, books of account, and minutes from any meeting of the Owners, in order to inspect and copy such records for any purpose reasonably related to his or her interest as an Owner. Access shall be at any reasonable time at the office of the Association or such other place within the Project as the Association prescribes. The Association shall establish rules regarding the notice the Owner must give to the custodian of the records to obtain access, the hours and days of the week when the records may be inspected and copied, and the charges imposed by the Association for copying records requested by the Owner.

ARTICLE 8 - MAINTENANCE AND REPAIR OBLIGATIONS

8.1 Owners’ Maintenance Responsibilities. Each Owner shall have the sole responsibility and the exclusive right, at his or her sole cost and expense, to maintain his or her Unit, including the structure of such Unit, in good repair and condition. Each Owner shall also be responsible for: (i) the maintenance, repair and replacement of Exclusive Use Common Area appurtenant to such Owner’s Unit; and (ii) the maintenance, repair and
replacement of all utilities serving such Owner’s Unit.

8.2 **Association’s Maintenance Responsibilities.** Except for those portions of the Project that an Owner must maintain, repair and replace as set forth in Section 8.1, the Association shall be solely responsible for all maintenance, repair, upkeep and replacement of the Common Area. No person other than the Association or its duly authorized agents shall construct, reconstruct, refinish, alter or maintain any part of the Common Area or add any improvement to the Common Area, except as set forth in Section 8.1, or fill or change the natural or existing drainage of any portion of the Common Area.

8.3 **Willful or Negligent Acts.** To the extent not covered by casualty insurance in favor of the Association, each Owner shall be responsible and liable to the remaining Owners and to the Association for any willful or negligent acts or omissions committed by such Owner or by any of his or her family members, employees, clients, customers, guests or invitees, or by a tenant of his or her Unit who cause (i) the need for repair, maintenance or replacement of those parts of the Common Area that the Association has the right and responsibility to maintain other than that required due to ordinary wear and tear, or (ii) the need for repair, maintenance or replacement to or for another Unit or to the personal property of another Owner. Nothing herein shall be construed to enable any insurer to be subrogated to the rights of any insured party as to any loss as to which the insurer has waived its right of subrogation.

**ARTICLE 9 - UTILITIES AND TAXES**

9.1 **Utilities.** Each Owner shall pay for telephone, electricity and gas and other utilities or services furnished to or for his or her Unit.

Domestic cold water shall be supplied to each Unit by a centralized system operated and maintained by the Association. The Association shall pay when due all bills for central utilities on behalf of the Owners. The Association shall reasonably determine each Unit’s proportionate share of water usage and shall bill the Owners of each Unit for such usage as part of the Regular Assessment.

9.2 **Segregated Taxes.** To the extent allowed by law, all Condominiums, including their undivided interest in the Common Area and the membership of an Owner in the Association, shall be separately assessed and taxed so that all taxes, assessments, and charges that may become liens prior to Mortgages under local law shall relate only to the individual Condominiums and not to the Project as a whole. Each Owner shall be obligated to pay any taxes or assessments assessed by any governmental entity against such Owner’s Condominium and against such Owner’s personal property. The Association shall pay all taxes and assessments levied against the Association or the personal property owned by the Association.

9.3 **Unsegregated Taxes.** Until such time as real property taxes have been segregated by the Alameda County Tax Assessor, the Association shall pay all real property taxes and assessments levied upon the Project. As a part of the Regular Assessment, each Owner shall pay his or her proportionate share of any installment due under the tax bill to the
Association. The proportionate share of the taxes for a particular Condominium shall be
determined in accordance with the Owner’s Tenants In Common Agreement dated January 6,
1993. Notwithstanding anything to the contrary in this Declaration, each Owner shall be
solely responsible for (i) any personal property tax levied upon that Owner’s personal
property, and (ii) any business tax levied upon that Owner’s business property or income.

Such taxes and assessments may be contested by the Association; provided, however,
that any such contested taxes shall be paid or a bond insuring the payment shall be posted
prior to the sale or other disposition of any property to satisfy the payment of such taxes.

ARTICLE 10 - COVENANTS AND USE RESTRICTIONS

10.1 Prohibited Uses. Each Unit shall be used for residential purposes by the
Owner, his or her tenants or guests, or for a home business as allowed by local law. No
health care or day care facilities operating as a business or charity shall be permitted in the
Project.

10.2 Unlawful Activity/Nuisances. No Owner shall permit anything to be done or
kept in his or her Unit or within the Project that violates any law, ordinance, statute, rule or
regulation of any local, county, state or federal governmental agency. Nothing shall be done
within the Project that is an unreasonable annoyance, inconvenience or nuisance or that
unreasonably interferes with the quiet enjoyment of occupants of Units. No automobiles or
other motorized vehicles shall be repaired within the Project. No horns, whistles, bells or
other sound devices, except security devices used exclusively to protect the security of a Unit
and its contents shall be placed or used within any Unit. No loud noises, loud music, barking
dogs, electro-mechanical or electromagnetic disturbance, vibrations, noxious odors or radiation
disturbance shall be permitted within the Project. No doorways, driveways, walkways or
streets shall be obstructed in any manner that would interfere with the use for ingress or
egress in the event of a fire, earthquake or other emergency.

10.3 Parking. No boats, trailers, recreational vehicles, or campers shall be parked in the
driveway.

10.4 Occupancy Limitations. In no event shall a Unit be occupied by more
individuals than permitted by applicable zoning laws or governmental regulations.

10.5 Fires. There shall be no external fires whatsoever, except for a barbecue fire
burned in an appropriate barbecue receptacle.

10.6 Signs. No advertising signs or billboards shall be displayed on or within the
Project except that Owners may post on their yard or Unit any signs required by legal
proceedings and a single "For Rent," "For Lease" or "For Sale" sign of customary and
reasonable dimensions. Signs of real estate brokers advertising Units for sale or lease shall
only be allowed within the Common Area in strict compliance with applicable Association
Rules. This Section is not intended to restrict constitutional rights of free speech and
expression.
10.7 **Antennas and Other Additions.** No Owner shall construct, install, erect or maintain any television or radio pole or antenna, flag pole, or clothes line within the Common Area or within the Project except wholly within such Owner’s Unit.

10.8 **Pets.** No livestock or poultry of any kind shall be raised, bred or kept within the Project. No pet shall be allowed to make an unreasonable amount of noise or otherwise to become a nuisance. An Owner shall pay any damage caused by such Owner’s pets. Each Owner shall promptly clean up after his or her animals which have used or soiled any portion of the Project.

10.9 **Trash.** Trash, garbage and other waste shall be regularly removed from each Unit and shall be disposed of in trash containers. The Association may establish reasonable regulations to allow for the recycling of recyclable materials.

10.10 **Insurance.** Nothing shall be done or kept in or on any Unit or in the Common Area that would increase the rate of or cause the cancellation of insurance on the Project or any portion thereof without the prior written consent of the Association.

10.11 **Gas or Liquid Storage.** No tank for the storage of gas or liquid shall be installed within the Project without the prior written consent of the Association.

10.12 **Water Supply System.** No individual water supply or water softener system shall be permitted within any Unit unless such system is designed, located, constructed and equipped solely within such Unit and in accordance with the requirements, standards, and recommendations of any applicable water district or governmental authority.

10.13 **Diseases and Pests.** No Owner shall permit any thing or condition to exist in his or her Unit or within the Project which shall induce, breed, or harbor infectious plant diseases, rodents or noxious insects.

10.14 **Hazardous Substances.** No hazardous substances shall be brought, stored, kept or used in or on any part of the Project. "Hazardous substances" shall be those substances defined as such by the Comprehensive Environmental Response, Compensation & Liability Act of 1980, the Resource Conservation & Recovery Act, the Hazardous Materials Transportation Act, the Clean Water Act, the Clean Air Act, the Toxic Substances Control Act, the Safe Drinking Water Act, and any regulations adopted, published or promulgated pursuant thereto and as such may be amended from time to time, and any other similar such governmental laws or regulations now in effect or hereafter enacted and as such may be amended from time to time.

Any Owner shall protect, indemnify, defend and hold harmless the Association and all other Owners from and against any and all losses, liabilities, damages, demands, claims or judgments resulting from such Owner’s violation of this Section 10.14.

10.15 **Mechanic’s Liens.** If a notice of mechanic’s lien is filed against the Project for labor or material alleged to have been furnished to or delivered for any Owner within the
Project or at his or her Unit, the Owner shall immediately cause the lien to be discharged by payment, bond or otherwise.

10.16 Trees. No Owner shall cut or cause to be cut on the Property any tree with a trunk diameter greater than five (5) inches at a point two (2) feet above the ground, without the unanimous written consent of the Owners, except that dead and protruding branches may be pruned with the verbal approval of the Owners.

10.17 Alterations to Units. Notwithstanding the provisions of Article 11, Owners may alter or remodel the interiors of their Units if the Owner complies with all laws and ordinances regarding alterations and remodeling.

ARTICLE 11 - ARCHITECTURAL CONTROL

11.1 Architectural Control. No Improvement of any kind shall be commenced, erected or maintained within the Project, nor shall any exterior addition to or change or alteration be made in or to any Unit or to any Exclusive Use Common Area until the plans and specifications showing the nature, color, kind, shape, height (including front, side and rear elevations), materials, and location of the same shall have been submitted to and approved in writing by the Association as to quality of workmanship and materials, harmony of external design and location in relation to surrounding structures, setback lines, topography and finish grade elevation. Nothing contained herein shall be construed to limit the right of an Owner to paint the interior of his or her Unit any color desired.

11.2 Submission of Plans: Action by Association. Plans and specifications for the proposed Improvement shall be submitted to the other Owner by personal delivery or certified mail. In the event the other Owner fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, the request shall be deemed to have been denied, in which case, the written request may be resubmitted. In the event the other Owner fails to approve or disapprove such design and location within thirty (30) days after this second submission, the request shall be deemed to have been approved. Approval of the other Owner can contain conditions or requests for modification of particular aspects of the Owner's plans and specifications. However, an Owner's approval for any proposed Improvement may not be unreasonably withheld.

11.3 Permits. Before commencement of any Improvements, an Owner shall comply with all appropriate governmental laws and regulations and shall obtain, at such Owner's sole expense, all required permits.

11.4 Estoppel Certificate. Within thirty (30) days after written demand is delivered to the secretary by any Owner, and upon payment to the Association of a reasonable fee (as fixed from time to time by the Association), the Association shall execute an estoppel certificate, executed by any two of its members, certifying (with respect to any Unit owned by the applicant Owner) that as of the date thereof, either (i) all Improvements made and other work completed by said Owner with respect to the Unit comply with this Declaration; or (ii) that such Improvements or work do not so comply, in which event the certificate shall
also identify the noncomplying Improvements or work and set forth with particularity the bases of such noncompliance. Any purchaser from the Owner, through the Owner, shall be entitled to rely on said certificate with respect to the matters therein set forth, such matters being conclusive as between the Association, all Owners and any persons deriving any interest through them.

ARTICLE 12 - ASSESSMENTS

12.1 **Covenant to Pay Assessments.** Declarant covenants and agrees for each Condominium owned by it in the Project that is expressly made subject to Assessments as set forth in this Declaration, and each Owner by acceptance of a deed covenants and agrees for each Condominium owned, to pay to the Association the Assessments authorized by this Declaration, and to allow the Association to enforce any Assessment lien established in accordance with the provisions of this Declaration by nonjudicial proceedings under a power of sale or by any other means authorized by law.

12.2 **Personal Obligation.** Each Assessment or installment, together with any late charge, interest, collection costs and reasonable attorneys' fees, shall be the personal obligation of the Owner, at the time such assessment or installment becomes due and payable, and shall bind such Owner's heirs, devisees, personal representatives and assigns. If there is more than one (1) Owner of a particular Condominium at such time, each Owner shall be jointly and severally liable. No Owner may exempt himself from payment of Assessments or installments by waiving the use or enjoyment of all or any portion of the Common Area, by abandonment or leasing of his or her Unit or by any other means.

12.3 **Use of Regular Assessments.** Regular Assessments paid by Owners shall be used to pay for the expenses of the Association in performing its duties in accordance with this Declaration, to improve, replace, repair, operate, and maintain the Common Area and to promote the health, safety and welfare of the occupants of the Units.

12.4 **Reserve Funds.** Each annual Regular Assessment shall include a portion for reserves in such amount as the Association in its discretion considers appropriate to meet the cost of the future repair, replacement or additions to the major components that the Association is obligated to maintain and repair. Reserve funds shall be deposited in a separate account and the withdrawal of money from reserve accounts shall require (i) a duly executed resolution of the Association authorizing the withdrawal from the reserve account, and (ii) the signatures of both Owners. Reserve funds may not be expended for any purpose other than repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components that the Association is obligated to maintain.

Notwithstanding the foregoing, the Association may authorize the temporary transfer of money from a reserve fund to the Association's general operating fund to meet short term cash-flow requirements or other expenses. The transferred funds shall be restored to the reserve fund within three (3) years of the date of the initial transfer, provided that the Association, on the making of a finding supported by documentation that a delay is in the
best interest of the Project, may delay the restoration for the amount of time that the
Association reasonably determines to be necessary. The Association shall exercise prudent
fiscal management in delaying restoration of these funds and in restoring the expended funds
to the reserve account, and shall, if necessary, levy a Special Assessment to recover the full
amount of the expended funds within the time limits required.

At least once every three (3) years, the Association shall cause a study to be
conducted of the reserve account requirements if the current replacement value of the major
components that the Association is obligated to repair, replace, restore, or maintain is equal to
or greater than one-half of the gross budget of the Association for any fiscal year. The
Association shall review this study annually and shall consider and implement necessary
adjustments to the Association’s analysis of the reserve account requirements as a result of
that review.

The study shall, at a minimum, include: (i) identification of the major components that
the Association is obligated to repair, replace, restore, or maintain that, as of the date of the
study, have a remaining useful life of less than thirty (30) years; (ii) identification of the
probable remaining useful life of the components identified in subparagraph (i) as of the date
of the study; (iii) an estimate of the cost of repair, replacement, restoration, or maintenance
of the components identified in subparagraph (i) during and at the end of their useful life; and
(iv) an estimate of the total annual contribution necessary to defray the cost to repair, replace,
restore, or maintain the components identified in subparagraph (i) during and at the end of
their useful life after subtracting total reserve funds as of the date of the study.

As used herein, "reserve accounts" means money that the Association has identified
for use to defray the future repair or replacement of, or additions to, those major components
that the Association is obligated to maintain; and "reserve account requirements" means the
estimated funds that the Association has determined are required to be available at a specified
time to repair, replace, or restore those major components that the Association is obligated to
maintain.

12.5 Levy of Regular Assessments. The Association shall establish and levy an
annual Regular Assessment in an amount that has been approved by the Association which is
estimated to be sufficient to raise the funds needed to perform the duties of the Association
during each fiscal year (as defined in Section 12.6). The Association shall fix the amount of
the annual Regular Assessment not less than forty-five (45) or no more than sixty (60) days
in advance of each fiscal year. If the Association fails to so fix the amount of the Regular
Assessment, the Regular Assessment applicable for the previous fiscal year shall remain in
effect until the Association shall fix a new Regular Assessment, which may be retroactive to
the commencement of the fiscal year in question.

12.6 Commencement of Regular Assessments. Regular Assessments shall
commence as to all Condominiums on the first day of the month next following the effective
date of this Declaration. The first fiscal year shall be the period commencing on the date
Regular Assessments commence and ending on the December 31 next following. Subsequent
fiscal years shall be each successive calendar year; provided, however, that at any time the
Association may change the fiscal year. Each Owner shall be entitled to pay annual Regular Assessments in twelve (12) equal monthly installments, one installment payable on the first day of each calendar month during the fiscal year, as long as the Owner is not delinquent in the payment of any monthly installment. If an Owner fails to pay any monthly installment by the thirtieth (30th) day of the month and after fifteen (15) days written notice from the Association, that Owner’s right to continue to pay the Regular Assessment in monthly installments shall immediately terminate for that fiscal year.

12.7 Special Assessments. In addition to the Regular Assessment, the Association may, from time to time, levy a Special Assessment against all Condominiums if the Association determines that the Association’s available funds are or will become inadequate to meet the estimated expenses of the Association, including the maintenance of appropriate reserves, for a particular fiscal year for any reason, including, without limitation, unanticipated delinquencies, costs of construction, unexpected repairs or replacements of capital improvements or otherwise. The Association shall determine the amount necessary to meet the estimated expenses, and if the amount is approved by a majority vote of the Association, it shall become a Special Assessment. The Association may levy the entire Assessment immediately or levy it in installments over a period it considers appropriate.

12.8 Revised Assessments. If at any time during the course of any year the Association shall deem the amount of an Assessment to be inadequate or overadequate by reason of a revision of its estimate of either expenses or income, or otherwise, the Association may revise the Assessment for the balance of the fiscal year.

12.9 Allocation of Assessments. Both Regular and Special Assessments shall be allocated among, assessed against, and charged to each Condominium and its Owner according to each Owner’s percentage interest in the Property as a tenant in common. It is the intent of this allocation to equitably allocate Assessments in proportion to the value of common services furnished to each Owner’s Unit.

12.10 Delinquent Assessments. Any Assessment due, including any installment due, shall become delinquent if payment is not received by the Association within fifteen (15) days after its due date. If an Owner allows any Assessment to become delinquent, such Owner shall also pay a late charge equal to ten percent (10%) of the delinquent Assessment or Ten Dollars ($10) whichever is greater. A late charge may not be imposed more than once on any delinquent payment, but it shall not eliminate or supersede any late charges imposed with respect to prior delinquent payments. Interest also shall accrue on any delinquent payments at the rate of twelve percent (12%) per annum, commencing thirty (30) days after the Assessment becomes due. An Owner’s right to vote on Association matters shall automatically be suspended while any delinquent Assessment remains unpaid.

12.11 Creation of Assessment Lien. Should an Owner become delinquent in the payment of any Assessment or installment for more than two (2) months, the amount of any delinquent Assessment or installment, together with any accompanying other charges such as interest, late charges and costs (including attorneys’ fees), as may be levied by the Association pursuant to the provisions of this Declaration, shall be and become a lien upon
the Condominium against which the Assessment was levied when the Association causes to be recorded in the official records of the County a Notice of Delinquent Assessment, which notice shall state:

(A) The amount of the delinquent Assessment and such other charges thereon as may be authorized by this Declaration;

(B) A description of the Condominium against which the same has been assessed;

(C) The name of the record Owner of the Condominium assessed; and

(D) If the lien is to be enforced by power of sale under nonjudicial foreclosure proceedings, the name and address of the trustee authorized by the Association to enforce the lien by sale.

For the purposes of this Section 12.11 and Section 12.12, and notwithstanding anything to the contrary herein, the Owners hereby unanimously authorize the non-delinquent Owner as the Association's sole agent to sign and record such notice and to initiate foreclosure proceedings in accordance with Section 12.12. Upon payment of the delinquent Assessment and charges in connection with which such notice has been so recorded, or other satisfaction thereof, the non-delinquent Owner, at the delinquent Owner's cost and expense, shall cause to be recorded a further notice stating the satisfaction and the release of the lien thereof. The lien provided for herein shall be prior to all other liens recorded subsequent to the recording of such Notice of Delinquent Assessment.

12.12 Foreclosure Under Assessment Lien. The non-delinquent Owner may enforce any Assessment lien established under Section 12.11 in any manner permitted by law, including, without limitation, by judicial foreclosure or, if the notice of delinquent Assessment contained the name and address of the trustee authorized by the non-delinquent Owner to enforce the lien, by nonjudicial foreclosure. Any nonjudicial foreclosure shall be conducted in accordance with the requirements of Civil Code §§2924, 2924b, 2924c, 2924f, 2924g, 2924h, and 2924j that apply to nonjudicial foreclosures of mortgages or deeds of trust, as the same may be amended from time to time. The sale shall be conducted by the trustee named in the notice of delinquent Assessment or by a trustee substituted in accordance with the provisions of Civil Code §2934a. The non-delinquent Owner may bid on the Condominium at the sale, and may hold, lease, mortgage, or convey the acquired Condominium. If the default is cured before the sale, or before completing a judicial foreclosure, including payment of all costs and expense incurred by the Association, the non-delinquent Owner shall record a notice of satisfaction and release of lien, and, on receipt of a written request by the delinquent Owner, a notice of rescission of the declaration of default and demand for sale.

12.13 Waiver of Homestead Protections. Each Owner, to the extent permitted by law, waives the protections of any declared homestead or homestead exemption under the laws of California as applied to any action to enforce the Assessments levied by the Association.
12.14 **Estoppel Certificate.** Within ten (10) days of mailing or delivery of written request by any Owner (the "requesting Owner"), the non-requesting Owner shall provide the requesting Owner with a written statement containing the following information: (i) whether, to the knowledge of the non-requesting Owner, the requesting Owner or the requesting Owner’s Condominium is in violation of any of the provisions of the Governing Documents; (ii) the amount of Assessments, including installment payments, paid by the requesting Owner during the fiscal year in which the request is received; (iii) the amount of any Assessments levied against the requesting Owner’s Condominium that are unpaid as of the date of the statement, including any late charges, interest, or costs of collection that as of the date of the statement are or may be made a lien against the requesting Owner’s Condominium, as provided by the Governing Documents; and (iv) any change in the Association’s current Regular and Special Assessments and fees approved by the Association but not yet due and payable as of the date of the statement.

Any prospective purchaser or mortgagee of the requesting Owner’s Condominium may rely on the information in this written statement, provided that reliance may not extend to any violation of the Governing Documents which the non-requesting Owner does not have actual knowledge.

**ARTICLE 13 - INSURANCE/INDEMNITY**

13.1 **Fire And Casualty Insurance.** Each Owner shall obtain and maintain a policy of all risk property insurance for such Owner’s personal property and Unit, including fixtures, insuring against loss or damage by fire or other casualty, in an amount equal to at least ninety percent (90%) of the current full replacement cost (without respect to depreciation) of such Owner’s personal property and Unit, exclusive of land, foundations, excavation and other items normally excluded from coverage. A replacement cost endorsement shall be part of each policy. Such policies of insurance shall name as parties insured all Owners and the Association.

(A) **Insurance Trustee.** If the insurance proceeds payable under this Section 13.1 exceed Fifty Thousand Dollars ($50,000), then the proceeds shall be paid to and held by the Insurance Trustee in trust for the Association, Owners, and Mortgagees, as their respective interests shall appear.

13.2 **Other Insurance.** Unless the Owners determine otherwise pursuant to Section 13.3, the Association shall also obtain and maintain the following insurance:

(A) A hazard policy insuring all equipment and fixtures owned by the Association, unless the Association determines that such insurance is not necessary;

(B) Comprehensive general liability insurance insuring the Association, its agents, and the Owners and occupants of all Units and their respective family members, guests, invitees, and the agents and employees of each, against any liability incident to the ownership or use of the Project, and including, if obtainable, a cross liability or severability of interest endorsement insuring each insured against liability to each other insured. Such
insurance shall provide a combined single limit of not less than One Million Dollars ($1,000,000) covering all claims for death, personal injury, and/or property damage arising out of a single occurrence;

(C) Workers' compensation insurance to the extent required by law;

(D) Flood insurance if the Project is located in an area designated by appropriate governmental agency as a special flood hazard area;

(E) Earthquake insurance;

(F) To the extent available, insurance in an amount not less than One Million Dollars ($1,000,000) on behalf of any officer of the Association against any liability asserted against or incurred by the officer in such capacity or arising out of the officer's status as such; and

(G) Such other insurance as the Owners in their discretion consider necessary or advisable.

13.3 Requirements. The Owners shall make every reasonable effort to obtain and maintain the insurance policies as provided in Sections 13.1 and 13.2. If the Owners are unable to purchase a policy or if the Owners believe that the cost of the policy is unreasonable, the Owners may unanimously decide to maintain policies of insurance that differ from the requirements of Sections 13.1 and 13.2.

The form, content, and term of the policies and its endorsements and the issuing company must be satisfactory to all institutional first Mortgagees. If more than one institutional first Mortgagee has a loan of record against a Condominium in the Project, the policies and endorsements shall meet the maximum standards of the various institutional first Mortgagees represented in the Project. If institutional first Mortgagees do not impose requirements on any such policy required hereunder, the term, amount and coverage of such policy shall be no less than that which is customary for similar policies on similar Projects in the area.

Any insurance policy shall contain "waiver of subrogation" as to the Association, its officers, Owners and the occupants of the Units and Mortgagees, and, if obtainable, a cross liability or severability of interest endorsement insuring each insured against liability to each other insured. The Association shall periodically (and not less than once every three (3) years) review all insurance policies maintained by the Association to determine the adequacy of the coverage and to adjust the policies accordingly.

13.4 Indemnity. To the extent not covered by insurance required to be maintained by this Article 13, each Owner shall indemnify, protect, defend, and hold harmless the Association and all other Owners from and against all liability, loss, claims, and demands of third persons to the extent arising out of the acts or omissions of such Owner, the occupants of such Owner’s Unit, the respective family members, guests, invitees, employees and agents
of such Owner.

13.5 **Provision To Adjust Losses.** The Association is appointed attorney-in-fact by each Owner to negotiate and agree on the value and extent of any loss under any policy carried by the Association pursuant to this Article 13. The Association is granted full right and authority to compromise and settle any claim or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.

**ARTICLE 14 - DAMAGE AND DESTRUCTION**

14.1 **Proceeds Exceed 85 Percent of Reconstruction Costs.** If there is a total or partial destruction of the improvements in the Project, and if the available proceeds of the insurance carried pursuant to Section 13.1 are sufficient to cover not less than eighty-five percent (85%) of the costs of repair and reconstruction, the improvements shall be promptly rebuilt.

14.2 **Proceeds Less Than 85 Percent of Reconstruction Costs.** If the proceeds of insurance carried pursuant to Section 13.1 are less than eighty-five percent (85%) of the costs of repair and reconstruction, the improvements shall be promptly rebuilt unless, within ninety (90) days from the date of destruction, Owners unanimously determine that repair and reconstruction shall not take place. Before the Owners vote, the Association shall solicit and obtain bids from at least two reputable contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the Owners at the meeting. If repair and reconstruction is to take place, the Association shall be required to execute, acknowledge, and record in the office of the County Recorder of the County not later than one hundred twenty (120) days from the date of destruction, a certificate declaring the intention of the Owners to rebuild.

14.3 **Separate Responsibility to Rebuild.** If any damage or destruction to a Unit is to be rebuilt pursuant to Sections 14.1 or 14.2 above, each Owner shall be solely responsible to pay for the cost of rebuilding or reconstructing their respective Unit, over and above the available insurance proceeds.

14.4 **Rebuilding Contract.** If the Owners determine to rebuild, the Association or the Insurance Trustee shall, after obtaining bids from at least two (2) reputable contractors, award the repair and reconstruction work to the lowest bidder that otherwise meets the requirements set forth by the Association in soliciting bids. The Association shall have the authority to enter into a written contract with the contractor for the repair and reconstruction, and the insurance proceeds shall be disbursed to this contractor according to the terms of the contract. It shall be the obligation of the Association to take all steps necessary to assure the commencement and completion of authorized repair and reconstruction at the earliest possible date.

14.5 **Rebuilding Not Authorized.** If the Owners determine not to rebuild, then subject to rights of institutional first Mortgagors as set forth in Section 16.7, any insurance proceeds then available for such rebuilding shall be distributed to each Owner according to
the relative fair market values of their Condominiums. The Association shall select an independent SREA appraiser who shall be a member of the Society of Real Estate Appraisers or other nationally recognized appraiser organization and who shall determine such relative values in accordance with the standards of such organizations as of the date immediately prior to such destruction. The cost of such appraisals shall be paid from the insurance proceeds. The Association shall, within one hundred twenty (120) days from the date of destruction, execute, acknowledge, and record in the office of the County Recorder of the County, a certificate declaring the intention of the Owners not to rebuild.

14.6 Minor Repair and Reconstruction. Notwithstanding anything to the contrary herein, the Association shall have the duty to repair and reconstruct any damage or destruction to the Project without the consent of Owners and irrespective of the amount of available insurance proceeds, in all instances of partial destruction where the estimated cost of repair and reconstruction does not exceed Twenty-five Thousand Dollars ($25,000) in the case of Common Area improvements. The Association can levy a Special Assessment for the cost of repairing and reconstructing improvements to the extent insurance proceeds are unavailable, such Special Assessment to be levied as described in Section 14.3.

14.7 Revival of Right to Partition. On recordation of the certificate described above in Section 14.5, the right of an Owner to partition through legal action as described in Section 4.5 shall revive immediately. In addition, each Owner by accepting a deed to a Condominium, grants to the Association an irrevocable power of attorney to sell the entire Project for the benefit of the Owners, to terminate this Declaration, and to dissolve the Association. The net proceeds following the sale of the Project and dissolution of the Association shall be distributed to the Owners in the same manner that insurance proceeds are distributed under Section 14.5.

ARTICLE 15 - EMINENT DOMAIN

15.1 Sale by Unanimous Consent. If an action for condemnation of all or a portion of the Project is proposed or threatened by any governmental agency having the right of eminent domain, then, on unanimous written consent of all the Owners and all institutional Mortgagees, the Project or a portion of it may be sold and conveyed to the condemning authority by the Association or its designee acting as the attorney-in-fact of all of the Owners under an irrevocable power of attorney, which each Owner by accepting a deed to a Condominium in the Project grants to the Association and which shall be coupled with the interest of all other Owners, for a price deemed fair and equitable by the Association. If the requisite number of Owners or institutional Mortgagees do not consent to a sale of all or a portion of the Project, and the condemning authority institutes condemnation proceedings, the court shall fix and determine the condemnation award.

15.2 Total Sale or Taking. If there is a total sale or taking of the Project, meaning a sale or taking (i) that renders both Units uninhabitable (such determination to be made by the Association in the case of a sale and by the court in the case of a taking) or (ii) that renders the Project as a whole uneconomical as determined by the unanimous vote or written consent of the Owners and their respective institutional Mortgagees, the right of any Owner to
partition through legal action as described in Section 4.3 shall revive immediately. However, any determination that a sale or taking is total must be made before the proceeds from any sale or award are distributed. The proceeds of any such total sale or taking of the Project, together with the proceeds of any sale pursuant to a partition action, after payment of all expenses relating to the sale, taking, or partition action, shall be paid to all Owners and to their respective Mortgagees in proportion to the ratio that the fair market value of each Owner’s Condominium bears to the fair market values of all Condominiums in the Project. The fair market value of Condominiums shall be determined in the condemnation action, if such be instituted, or by an Appraiser pursuant to Section 15.4.

15.3 Partial Sale or Taking. In case of a partial sale or taking of the Project, meaning a sale or taking that is not a total taking as described in Section 15.2, the proceeds from the sale or taking shall be paid or applied in the following order of priority, and any judgment of condemnation shall include the following provisions as part of its terms:

(A) To the payment of expenses of the Association in effecting the sale or to any prevailing party in any condemnation action to whom such expenses are awarded by the court to be paid from the amount awarded; then

(B) To Owners and their respective Mortgagees, as their interests may appear, of Condominiums in the Project whose Units have been sold or taken, in an amount up to the fair market value of such Condominiums as determined by the court in the condemnation proceeding or by an appraiser selected by the Association, who meets the qualifications described in Section 15.4, less such Owner’s share of expenses paid pursuant to the preceding subsection (A) (which share shall be in proportion to each Owner’s undivided interest in the Common Area). After such payment, the recipient shall no longer be deemed an Owner, and the remaining Owner, acting as attorney-in-fact of all Owners shall amend the Condominium Plan, the Map (if necessary), and this Declaration to eliminate from the Project the Condominium so sold or taken; then

(C) To the remaining Owner and to his or her Mortgagees, as their interest may appear, whose Condominium has been diminished in fair market value as a result of the sale or taking disproportionately to any diminution in value of all Condominiums, as determined pursuant to Section 15.4, but as of a date immediately after any announcement of condemnation, an amount up to the total diminution in value; then

(D) To the Owners and to their respective Mortgagees, as their interest may appear, the balance of the sale proceeds or award in accordance to proportion to the ratio that the fair market value of each remaining Owner’s Condominium bears to the fair market value of all remaining Owners’ Condominiums as determined by the court in the condemnation proceeding or by an appraiser pursuant to Section 15.4.

15.4 Fair Market Value as Appraisal Standard. Whenever in this Article 15 reference is made to a determination of the value or fair market value of one or more Condominiums, it shall mean the relative fair market value of each such Condominium as of a date immediately prior to the announcement of condemnation, as determined by an appraisal
by an independent appraiser selected by the Association, who shall be a member of the Society of Real Estate Appraisers or other nationally recognized appraiser organization and who shall apply its or such other organization's standards in determining the value or fair market value of each Condominium. The costs of such appraisals shall be paid from the sale proceeds.

ARTICLE 16 - MORTGAGEE PROTECTION

16.1 Interpretation. In the event any provision of this Article 16 is inconsistent with or contrary to any other provision of this Declaration, the provisions of this Article 16 shall control.

16.2 Notices. Any first Mortgagee or Insurer or Guarantor, by written notice to the Association setting forth the Condominium encumbered, the Owner thereof and the address to which notices may be sent, may request and thereby be entitled to receive written notice from the Association of the occurrence of any of the following: (i) any default which is outstanding for sixty (60) days or longer by the Owner of such Condominium in the performance of his or her obligations under or in compliance with the provisions of the Governing Documents; (ii) any damage to or destruction of any portion of the Project; (iii) any proposed or threatened taking by power of eminent domain of any portion of the Project; (iv) any lapse, cancellation or material modification of any insurance policy or bond maintained by or required to be maintained by the Association; and (v) any proposed action which under the provisions of Sections 16.5 and 16.6 would require the consent of a certain percentage of first Mortgagees.

16.3 Mortgagee's Right to Information. Institutional first Mortgagees shall have the right to examine the books and records of the Association and the right to require the submission of financial data concerning the Association, including annual audit reports, budgets, and operating statements as furnished to the Owners.

16.4 Deemed Consent. Any first Mortgagee who receives a written request to approve additions or amendments who does not deliver or post to the requesting party a negative response within thirty (30) days after the notice of the proposed addition or amendment shall be deemed to have approved such request, provided the notice has been delivered to the first Mortgagee by certified or registered mail, return receipt requested.

16.5 Restriction on Certain Changes. Unless the Owners and the first Mortgagees (based upon one (1) vote for each Mortgage owned) unanimously agree in writing, the Association and/or the Owners shall not be entitled to:

(A) By act or omission, seek to abandon or terminate the Project except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty, or in the case of taking by condemnation or eminent domain; or

(B) Change the method of determining the obligations, Assessments or dues or other charges which may be levied against an Owner, or change the prorata interest or
obligations of any Condominium for purposes of levying Assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards or for determining the prorata share of ownership of each Owner in the Common Area; or

(C) By act or omission, change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance or maintenance of the Project; or

(D) Fail to maintain the required insurance in accordance with Article 13; or

(E) Use hazard insurance proceeds for other than the repair, replacement or reconstruction of the damaged portions of the Project for which such proceeds were paid to the Association except as provided by law in the case of substantial destruction by fire or other casualty, or in the case of taking by condemnation or eminent domain; or

(F) To partition or subdivide any Unit.

16.6 Consent to Action. The unanimous vote of the Owners and all first Mortgagees (based upon one (1) vote for each Mortgage owned) shall be required to add or amend any material provisions of the Governing Documents which establish, provide for, govern or regulate any of the following: (i) voting; (ii) Assessments, collection of Assessments, Assessment liens or priority of such liens; (iii) reserves for maintenance, repair and replacement of Common Area; (iv) casualty and liability insurance or fidelity bonds; (v) rights to use the Common Area; (vi) responsibility for maintenance and repair of Condominiums and Common Area and their improvements; (vii) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project; (viii) redefinition of the boundaries of any Unit or the Common Area; (ix) the interests or rights of the Association or Owners in and to the Common Area; (x) the convertability of Condominiums into Common Area or of Common Area into Condominiums; (xi) leasing of Condominiums; (xii) imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey his or her Condominium; or (xiii) any provisions which are for the express benefit of first Mortgagees, Insurers or Guarantors.

For purposes of this Section 16.6, an addition or amendment shall not be considered material if it is for the purpose of correcting technical errors, or clarification only.

16.7 Priority in Insurance And Condemnation Proceeds. No Owner, or any other party, shall have priority over any right of institutional first Mortgagees of Condominiums pursuant to their Mortgages in case of a distribution of insurance proceeds or condemnation awards for losses to or taking of Units or Common Area. Any provision to the contrary in the Governing Documents is to such extent void. All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses acceptable to the affected institutional first Mortgagees, naming the Mortgagees as their interests may appear.

16.8 Right of First Refusal. Any Mortgagee who obtains title to a Condominium pursuant to the remedies provided in the Mortgage or through foreclosure of the Mortgage, or
deed or assignment in lieu of foreclosure shall be exempt from any right of first refusal which may now or in the future exist for the benefit of the Association or other Owners, and no such right of first refusal shall impair the rights of any first Mortgagee to (i) foreclose or take title to a Condominium pursuant to the remedies provided in the Mortgage, or (ii) accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor, or (iii) sell or lease a Condominium acquired by the Mortgagee.

16.9 **Subordination.** The provisions contained in this Declaration shall not defeat or render invalid the lien of any Mortgage which is made in good faith and for value. The lien of any Assessments plus any charges thereon, such as interest, late charges and costs (including attorneys’ fees), shall be subordinate to the lien of any first Mortgage recorded before the date such Assessments or other charges become due. This subordination shall apply only to Assessments that have become due and payable before a sale or transfer of such Condominium pursuant to a decree of foreclosure or exercise of power of sale. Any Mortgagee who acquires title to or comes into possession of a Condominium pursuant to remedies provided for in the Mortgage including foreclosure by judicial action or exercise of power of sale, and any purchaser at a foreclosure sale, shall take the Condominium free of any claims for unpaid Assessments or charges against the Condominium that have accrued before the time such Mortgagee or purchaser acquires title to or comes into possession of the Condominium; provided, however, this exception shall not be applicable to any prorata claim for Assessments or charges levied by the Association against all Condominiums for the purpose of recovering any revenue lost by reason of the nonpayment of past due Assessments upon such Condominium; and provided further, that except as otherwise provided in this Section 16.9, all of the limitations, restrictions, covenants, conditions, easements, liens, charges, Assessments, and equitable servitudes contained herein shall be binding upon any Owner whose title is derived through foreclosure sale, trustee’s sale or otherwise. Except as provided above, the sale, transfer or conveyance of title to a Condominium shall not relieve such Condominium from a duly recorded lien for any such prior unpaid Assessment nor relieve a selling Owner from personal liability for any Assessments which became due and payable before such sale, transfer or conveyance.

16.10 **Payments by Mortgagees.** Any Mortgagee, after at least ten (10) days prior written notification to the Association of the items to be paid and the failure of the Association within such time to make payment, may pay, alone or in conjunction with other Mortgagees, delinquent taxes, liens or assessments that are not separately assessed against an individual Condominium that may be or become a charge against the Project as a whole, and any overdue premiums on policies of fire and extended coverage insurance for the Project and in the event of a lapse of such a policy of insurance, may pay premiums to secure a new policy. In the event such payments are made, the Mortgagee making such payment shall be entitled to immediate reimbursement from the Association to the extent of the payment made.

16.11 **Contracts.** Any agreement for professional management of the Project may not exceed one (1) year. Any such agreement or contract must provide for termination by either party for cause on thirty (30) days written notice, or without cause and without payment of a termination fee or penalty on ninety (90) days or less written notice.
16.12 **Termination of Professional Management.** When professional management has been previously arranged by the Owners or previously required by any Mortgagee, Insurer or Guarantor, whether such entity became a Mortgagee, Insurer or Guarantor at that time or later, any decision to establish self-management by the Association shall require the unanimous consent of Owners and their institutional first Mortgagees, if any.

16.13 **Effect of Breach of Declaration on Mortgagee.** No breach of any provision of this Declaration shall invalidate the lien of any Mortgage made in good faith and for value; but all of the covenants, conditions and restrictions shall be binding on any Owner whose title is derived through foreclosure sale, trustee’s sale or otherwise. Any Mortgagee who acquires title to a Condominium by foreclosure or by deed in lieu of foreclosure or assignment in lieu of foreclosure shall not be obligated to cure any breach of this Declaration that is incurable or of a type that is not practical or feasible to cure.

16.14 **Status of Loan to Facilitate Resale.** Any first Mortgage given to secure a loan to facilitate the resale of the Condominium after acquisition by foreclosure or by a deed in lieu of foreclosure or by an assignment in lieu of foreclosure shall be deemed to be a loan made in good faith and for value and entitled to all of the rights and protections of Mortgages under this Declaration.

16.15 **Right to Appear at Meetings.** Because of its financial interest in the Project, any first Mortgagee may appear (but cannot vote) at Association meetings to draw attention to violations of this Declaration that have not been corrected or that have been made the subject of remedial proceedings or assessments.

16.16 **Right to Furnish Information.** Any Mortgagee can furnish information to the Association concerning the status of any Mortgage.

**ARTICLE 17 - SALE OR OTHER TRANSFER OF CONDOMINIUMS**

17.1 **Right of Owners to Purchase Condominiums.** Except as provided in Sections 16.8 and 17.2, before any Owner (hereinafter called a "Transferor Owner") shall sell or otherwise transfer the title of any Condominium to any person or entity (hereinafter called a "Transferee"), the Transferor Owner shall give written notice to all other Owners of the terms of sale or transfer offered by or to the Transferee and his or her intention to accept the offer of the Transferee. Such notice shall state the amount and terms of payment of the purchase price or other consideration payable to the Transferor Owner, the condition of title to be conveyed, the proposed allocation of closing costs and such other information as may be reasonably requested by any Owner relative to the terms of sale or other transfer for consideration.

(A) Any Owner shall have a period of ten (10) days commencing from the date of receipt of such notice to make an offer or offers to the Transferor Owner to purchase or lease the Condominium on terms and conditions not less favorable to the Transferor Owner than the terms and conditions of the offer by or to the Transferee. The Transferor Owner shall either accept the most favorable of such offers of Owners or abandon the sale or other
transfer to the Transferee. If the offer is accepted, the sale or other transfer of the Condominium shall close within sixty (60) days after the delivery of the written acceptance.

(B) If no Owner offers to purchase the Condominium within the applicable period or in writing waives the right to purchase the Condominium, the Transferor Owner may sell or otherwise transfer the property to the Transferee, but only on the terms and conditions first offered to or by the Transferee and communicated to the Owners and provided such sale or transfer is completed within ninety (90) days after the date of the initial notice to the Owners. If the sale or other transfer to the Transferee is not completed within the ninety (90) day period or there is any material change in the terms and conditions of the sale or other transfer to the Transferee, the Transferor Owner before selling or otherwise transferring the Condominium shall again comply with all of the provisions of this Article 17.

17.2 Exceptions. The requirements of Section 17.1 shall not apply to the following types of transfers:

(A) Transfer to a Mortgagee acquiring a Condominium pursuant to exercise of remedies provided for in the Mortgage, including foreclosure by judicial action or exercise of a power of sale;

(B) Transfers to a bona fide purchaser at a judicial foreclosure or sale pursuant to the exercise of a power of sale under a deed of trust encumbering the Condominium;

(C) Transfers without consideration constituting bona fide gifts by the Owner; or

(D) Transfers of title to a Condominium occurring by reason of the devise or succession of real property resulting from the death of an Owner.

17.3 Failure to Comply. Any sale or other transfer of a Condominium, whether voluntary or involuntary, which does not comply with the provisions of this Article 17 shall be void and of no force and effect.

17.4 Right of Owner to Purchase After Notice of Default. If any Mortgagee of an Owner (the "defaulting Owner") causes a notice of default, as defined in California Civil Code §§ 2924 et seq., to be recorded in the real property records of the County, and such default is not cured within fifteen (15) days of the date such notice of default is recorded, the other Owner (the "purchasing Owner") shall have the right to purchase the defaulting Owner's Unit in accordance with this Section.

(A) The purchasing Owner shall deliver notice to the defaulting Owner of the purchasing Owner's desire to purchase the defaulting Owner's Unit. The Owners shall have a period of five (5) days (the "negotiating period") from the date of such notice to mutually agree to a sales price and terms of sale for the defaulting Owner's Unit. If the Owners fail to agree upon a sales price and sales terms within the negotiating period, then
within ten (10) days after the expiration of the negotiating period, each Owner, at its own cost and by giving notice to the other Owner, shall appoint a licensed appraiser with at least ten (10) years residential appraisal experience in the County. If an Owner does not appoint an appraiser within such ten (10) day period, the single appraiser appointed shall be the sole appraiser and shall determine the fair market value of the defaulting Owner’s Unit within fifteen (15) days of the date of appointment. If the two appraisers are appointed as herein provided, each appraiser shall prepare an appraisal of the fair market value of the defaulting Owner’s Unit within fifteen (15) days following the date the second appraiser is designated. The fair market value of the defaulting Owner’s Unit shall be the average of the two appraisals.

(B) The sale of the defaulting Owner’s Condominium to the purchasing Owner shall close within forty-five (45) days of the date the fair market value of the defaulting Owner’s Condominium is determined in accordance with this Section 17.4.

ARTICLE 18 - ENFORCEMENT, ARBITRATION and MEDIATION

18.1 Rights to Enforce. The Association and/or any Owner shall have the power to enforce the provisions of the Governing Documents in any manner provided by law or in equity and in any manner provided in this Declaration.

18.2 Remedies Cumulative. Each remedy provided by this Declaration is cumulative and not exclusive.

18.3 Mediation. Before instituting any judicial action, arbitration, or other proceeding arising out of any Owner’s failure or alleged failure to comply with any provision of Section 4.6 (Leasing of Units and Delegation of Use), Section 7.1(D) (Association Rules), Article 10 (Covenants and Use Restrictions), or Article 11 (Architectural Control), the Owner who desires to initiate such action (the "Complaining Party") must make a good faith attempt to mediate the dispute pursuant to this Section. The Complaining Party shall send the other party (the "Responding Party") written notice of the nature of the dispute, the facts giving rise to its claim and its desire to mediate (the "Mediation Notice"). Should either party commence a judicial action, arbitration or other proceeding without sending a Mediation Notice, the Responding Party shall be entitled to stay the action and request a Mediation Notice from the Complaining Party. The Mediation Notice shall name a mediator. The Complaining Party shall be obligated to pay any fee to initiate mediation, but the cost of mediation shall ultimately be borne as determined by the parties if the mediation results in a settlement of the dispute. If the Responding Party does not agree with the complaining Party’s choice of a mediator, the parties shall ask the American Arbitration Association to pick a mediator from its panel within ten (10) days from the Responding Party’s receipt of the Mediation Notice. Within thirty (30) days after the mediator is chosen, the parties shall schedule and attend a mediation and attempt in good faith to resolve their dispute. If the mediation does not resolve the dispute or if the Responding Party refuses to attend, the Complaining Party shall be free to commence arbitration. The requirements of this Section shall not apply under circumstances where the Complaining Party is entitled to a temporary restraining order or preliminary injunction in order to avoid irreparable harm or injury.
18.4 **Arbitration.** If the Owners are unsuccessful at resolving any failure or alleged failure or by the Owner’s tenant to comply with any provision of Section 4.6 (Leasing of Units and Delegation of Use), Section 7.1(D) (Association Rules), Article 10 (Covenants and Use Restrictions), or Article 11 (Architectural Control), the dispute shall be submitted to, and conclusively determined by, binding arbitration in accordance with this Section, provided, however, that the provisions of this Section shall not preclude any party from seeking injunctive or other provisional or equitable relief in order to preserve the status quo of the parties pending resolution of the dispute, and the filing of an action seeking injunctive or other provisional relief shall not be construed as a waiver of that party’s arbitration rights.

The arbitrators shall be selected and the arbitration conducted in accordance with the Commercial Arbitration rules of the American Arbitration Association.

**ARTICLE 19 - MISCELLANEOUS PROVISIONS**

19.1 **Construction of Provisions.** The provisions of this Declaration shall be liberally construed to effect its purpose of creating a uniform plan for the development and operation of a condominium project pursuant to the provisions of Section 1350, et. seq. of the California Civil Code.

19.2 **Independence of Provision.** The provisions of this Declaration shall be independent and severable. Invalidation or partial invalidation of any provision of this Declaration by judgment or court order shall not affect any other provision of this Declaration, and the remaining provisions shall remain in full force and effect.

19.3 **Failure Not a Waiver.** The failure of any Owner, the Association or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, grants or easements, rights, right-of-way, liens, charges or equitable servitudes contained in the Governing Documents shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability upon the Association or any of its officers or agents.

19.4 **Notices.** Unless otherwise indicated herein, notices shall be in writing and shall be addressed as follows: if to an Owner to the address of his or her Condominium; and, if to the Association, to the address of the secretary or president of the Association. The Owners may designate a different address for notices by giving written notice of such change of address to the Association.

19.5 **Headings.** The headings used in this Declaration are for convenience and reference only and the words contained therein shall not be held to expand, modify, or aid in the interpretation, construction, or meaning of this Declaration.

19.6 **Number/Gender.** The singular shall include the plural and the plural the singular unless the context requires the contrary; and the masculine, feminine and neuter shall each include the masculine, feminine or neuter, as the context may require. "Person" shall include any individual, corporation, partnership, trustee or other legal entity capable of
holding title to real property.

19.7 Amendments. This Declaration may be amended only by the unanimous vote (in person or by proxy) or written consent of Owners. Any amendment must be certified in a writing executed and acknowledged by the president of the Association and recorded in the Recorder’s Office of the County of Alameda. No amendment shall adversely affect the rights of any Mortgagee in accordance with Article 16 prior to the recordation of such amendment.

19.8 Successor Statutes. Any reference in the Governing Documents to a statute shall be deemed a reference to any amended or successor statute.

19.9 Recitals. The recitals contained on page 1 shall be incorporated in and made a part of this Declaration.

19.10 Exhibits. All Exhibits attached to this Declaration are incorporated herein and made a part hereof by this reference.
IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Declaration of Covenants, Conditions and Restrictions as of the date first above set forth.

By __________________________
RAYMIE ROLAND

By __________________________
H.E. ROLAND

By __________________________
ELAYNE M. ROLAND

"DECLARANT"
ACKNOWLEDGMENT

State of California
County of Alameda

On ______________ before me, ________________________

Name, Title Officer - E.G., "Jane Doe, Notary Public"

date

personally appeared ______________________

Name(s) of Signer(s)

☐ personally known to me - or - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

________________________________________

Signature of Notary

State of California
County of Alameda

On ______________ before me, ________________________

Name, Title Officer - E.G., "Jane Doe, Notary Public"

date

personally appeared ______________________

Name(s) of Signer(s)

☐ personally known to me - or - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

________________________________________

Signature of Notary
EXHIBIT A

PROPERTY DESCRIPTION

2012-12A DELAWARE STREET CONDOMINIUMS

The Property is defined as follows:

That parcel of land in the City of Berkeley, County of Alameda, State of California, described as follows:

All of the real property shown on Parcel Map No. 6647, filed for record the ___ day of __________, 19___, in Book _____ of Parcel Maps at page(s) ___ through ___, in the records of the County.
EXHIBIT C

SCHEDULE OF UNDIVIDED INTEREST IN COMMON AREA

2012-12A DELAWARE STREET CONDOMINIUMS

The percentage of ownership interest of each Owner as a tenant in common is as follows:

<table>
<thead>
<tr>
<th>Condominium Unit No.</th>
<th>Percentage Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>73.1%</td>
</tr>
<tr>
<td>#2</td>
<td>26.9%</td>
</tr>
</tbody>
</table>
BYLAWS

2012-12A DELAWARE STREET HOMEOWNERS’ ASSOCIATION

AN UNINCORPORATED CONDOMINIUM ASSOCIATION

1. NAME AND LOCATION

The name of the association is 2012-12A DELAWARE STREET HOMEOWNERS’ ASSOCIATION, an Unincorporated Condominium Association (hereinafter referred to as the "Association").

The Association shall have its principal office at the Project, or at such other office within the County of Alameda as the Association may determine or as the affairs of the Association may require from time to time.

2. DEFINITIONS

2.1 Declaration. The "Declaration" means, collectively, the Declaration of Covenants, Conditions, and Restrictions of 2012-12A DELAWARE STREET HOMEOWNERS’ ASSOCIATION, recorded on ____, 19___, as instrument No. ____________, Office of the County Recorder of the County of Alameda, and any amendment to them that is or may be recorded that is applicable to the Project.

2.2 Definitions. The definitions of the terms contained in Article 1 of the Declaration shall apply to those same terms as they may appear in these Bylaws and are incorporated herein by reference.

3. MEMBERSHIP; VOTING RIGHTS.

Each record Owner of a fee or undivided fee interest in a Condominium shall be a Member of the Association. The voting rights shall be controlled by Article 6 of the Declaration, the terms of which are incorporated herein by reference.

4. MEETINGS OF OWNERS

4.1 Place of Meetings. All meetings of the Members, annual and special, shall be held at a place within the Project as designated by the Association, provided that if there is not an available or appropriate place within the Project, the Association shall designate a
meeting place as close as possible to the Project but in no event outside the County unless unusual conditions exist.

4.2 Annual Meetings. The first annual meeting shall be held within six (6) months after the Declaration is recorded. Subsequent annual meetings of Members shall be held in each succeeding year within one week before or after the anniversary date of the first annual meeting on a day to be determined by the Association, which day shall not be a legal holiday, but in no event shall an annual meeting be held less than once each calendar year.

4.3 Special Meetings. Special meetings of the Members may be called at any time by the Association in response to the vote of a majority of the Association, or in response to a request by the president, or upon written request of the Members representing at least five percent (5%) of the total voting power of the Association. A special meeting called by any person (other than the Association) entitled to call a meeting shall be made by submitting a written request specifying the general nature of the business to be transacted at such special meeting to the president or secretary of the Association, and no other business may be transacted at such special meeting. The officer receiving the notice shall promptly cause notice to be given to the Members in the manner required by Section 4.4 that a meeting shall be held not less than thirty-five (35) days nor more than ninety (90) days after the receipt of the request. If the notice is not given within twenty (20) days after the receipt of the request, the person or persons requesting the meeting may give the notice.

4.4 Notice of Meetings. Notice of all Members’ meetings, annual or special, shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting to each Member and to any Mortgagee who has requested in writing to receive such notice. Any Mortgagee, or its designated representative, shall be entitled to attend any such meeting, but shall not be entitled to vote at the meeting, unless such right to vote is provided for in the Declaration. The notice shall be given personally, or by first class, registered, or certified mail to each Member or Mortgagee at the address of such Member or Mortgagee appearing on the books of the Association or given by the Member or Mortgagee to the Association for purpose of notice. If no address appears or is given for any Member, notice may be given at the Association’s principal office or by publication at least once in a newspaper of general circulation.

The notice shall state the place, date, and time of the meeting. In the case of a special meeting, the notice shall also state the general nature of the business to be transacted and that no other business may be transacted at such special meeting. In the case of the annual meeting, the notice shall state those matters that the Association intends, at the time the notice is given, to present to the Members for action, but any proper matter may be presented at the meeting for action.

4.5 Waiver of Notice or Consent. The transactions of any meeting of Members, however called or noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if either before or after the meeting, each Member entitled to vote, not present in person or by proxy, signed a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. The
waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of any meeting of Members. All such waivers, consents, or approvals shall be filed with the Association records or made a part of the minutes of the meeting.

Attendance of a Member at a meeting shall also constitute a waiver of notice of and presence at that meeting unless the Member objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

4.6 Proof of Membership and Record Date. No person shall exercise the rights of membership in the Association until satisfactory proof of membership has been furnished to the Association. Such proof may consist of either a duly executed and acknowledged grant deed or title insurance policy showing that the person has an ownership interest in a Condominium that would entitle the person to membership in the Association as provided in Section 6.2 of the Declaration. Such deed or policy shall be deemed conclusive proof of the person's membership in the absence of a conflicting claim based on a later dated deed or policy.

For the purposes of determining the Members entitled to notice of any meeting, to vote, or to exercise any other rights in respect of any lawful action, the Association may fix, in advance, a record date as follows: (i) the record date for notices shall be not more than ninety (90) days nor less than ten (10) days before the date of the meeting, (ii) the record date for voting shall not be more than sixty (60) days before the date of the meeting or before the date on which the first written ballot is mailed or solicited, and (iii) the record date for any other action shall not be more than sixty (60) days before the date of such action. If no record date is fixed by the Association, the record date shall be determined in accordance with California Corporations Code §7611. A person holding a membership as of the close of business on the record date shall be a Member of record.

4.7 Proxies. Each person entitled to vote shall have the right to do so either in person or by one or more agents authorized by written proxy, signed by the person and filed with the secretary of the Association. A proxy shall be deemed signed if the Member's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by a Member or the Member's attorney in fact. Any form of proxy or written ballot distributed by any person to the membership of the Association shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted on. The proxy or written ballot shall provide that, when the Member specifies a choice, the vote shall be cast in accordance with that choice. The proxy also shall identify the person who is authorized to exercise the proxy and the length of time it will be valid. In addition, voting by proxy shall comply with any other applicable requirements of California Corporations Code §§7514 and 7613.

A validly executed proxy shall continue in full force and effect until (i) written notice is received by the Association of the death or incapacity of the Member executing the proxy,
the proxy revokes it before the vote is cast under that proxy by
the Association, (b) executing a subsequent proxy that is
attending and voting in person at any meeting. Unless the
shall not be valid after eleven (11) months from the date of
from the date of
from the date of
from the date of
from the date of
from the date of
from the date of
void the foregoing, all proxies shall be revocable and shall
the Member's membership in the Association terminates as
Declaration. The suspension of any Member's voting rights by
ally suspend any proxy executed by that Member.

ss. The order of business of all meetings of the Members shall
notice of meeting or waiver of notice;
of minutes of preceding meeting;
of officers;
of officers if any are to be elected;
cd business; and
iness.
procedure. All questions of parliamentary procedure shall be
borts Rules of Order.
imous Written Consent. Any action that may be taken at a
be taken without a meeting if authorized by a writing signed by
: entitled to vote at a meeting. The written consent shall have
 unanimous vote of the Members. The written consents shall
proceedings of the Members.
Ballot. Any action that may be taken at any meeting of the
written ballot if the following requirements are satisfied:
citation distributes a written ballot to each Member entitled to
shall be given personally, or by first-class, registered, or
Member at the address of such Member appearing on the
en by the Member to the Association for purpose of notice.
able time within which to be returned.

action, (ii) an opportunity to
ation that, if the Member
r that Member's choice, (iv) the
in order to be counted, and (v)
d action.
I approved by written ballot if
es that would be required for
was the same as the number of

Association shall be a president,
ose the officers at the first
ed to more than one office.
e removed from office by the
any time by giving written
Such resignation shall take
be specified therein, and unless
shall not be necessary to make
association shall promptly

because of death, resignation,
the manner prescribed in these
ever, that vacancies need not be

lws:
at all meetings of the Owners;
ried out; shall sign all leases,
all promissory notes. The
ment usually vested in the office
oration, and shall have such

because to be kept, at the
minutes of all meetings,
meetings shall include the time
6.2 **Amendments.** These Bylaws may be amended, only by the unanimous vote (in person or by proxy) or written consent of the Owners.

6.3 **Conflicts.** In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

6.4 **Indemnification.** The Association shall indemnify any present or former officer or employee of the Association to the fullest extent authorized under California Corporations Code §7237, or any successor statute.

6.5 **Copies of Project Documents.** The Association shall keep at its principal office the original or a copy of the Declaration, these Bylaws and the Association Rules as amended to date.

6.6 **Inspection Rights.** The inspection rights of Members contained in Section 7.6 of the Declaration are incorporated herein by reference.

6.7 **Number/Gender.** The singular shall include the plural and the plural the singular unless the context requires the contrary; and the masculine, feminine, and neuter shall each include the masculine, feminine, or neuter, as the context requires. "Person" shall include an individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

IN WITNESS WHEREOF, the undersigned, being the Members of the Association, have executed these Bylaws as of the dates set forth below.

By ________________________________
RAYMIE ROLAND

Date ________________________________

By ________________________________
H.E. ROLAND

Date ________________________________

By ________________________________
ELAYNE M. ROLAND

Date ________________________________


**WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT**

**Building No.**

2012A

**Street, City, Zip**

DELAWARE STREET, BERKELEY, CA, 94709

**Date of inspection**

01/22/04

**No. of Pages**

8

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**EAST BAY STRUCTURAL & TERMITE COMPANY**

1096 Yerba Buena Avenue

Emeryville, CA 94608

Ph: (510) 652-4712 Fax: (510) 652-4790

---

**Firm Registration No.** PR 4263

**Report No.** 203236

---

**Ordered By:**

THE GRUBS CO.

1980 MOUNTAIN BLVD.

OAKLAND CA 94611

TRICIA SWIFT

**Property Owner/Party of Interest:**

ROBERT CARIO

2012A DELAWARE STREET

BERKELEY CA 94709

---

**Engage No.**

---

**Complete Report [x]  Limited Report [ ]  Supplemental Report [ ]  Reinspection Report [ ]**

---

**General Description:**

SINGLE FAMILY/CONDOMINIUM, SHINGLES EXTERIOR,
FURNISHED AND OCCUPIED

---

**Inspection Tag Posted:**

UNDER KITCHEN SINK

**Other Tags Posted:**

NONE RECENT

---

An inspection has been made of the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.

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**Subterranean Termites [ ]**  **Drywood Termites [ ]**  **Fungus/Dryrot [ ]**  **Other Findings [ ]**  **Further Inspection [ ]**  

---

If any of above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items.

---

**Inspected By**

Oziel Uzi Cohen

**License No.** OPR 9077

---

**Signature**


---

You are entitled to obtain copies of all reports and completion notices on this property reported to the Structural Pest Control Board during the preceding two years. To obtain copies contact: Structural Pest Control Board, 1618 Howe Avenue, Suite 1B, Sacramento, California 95825-3206.

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**NOTE:** Questions or problems concerning the above report should be directed to the manager of the company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control Board at (816) 581-0798, (800) 729-8188 or www.pestboard.ca.gov

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43W-01 (Rev. 10/01)
A. Certain areas are recognized by the industry as inaccessible and/or for other reasons not inspected. These include but are not limited to: inaccessible and/or insulated attics or portions thereof, attics with less than 18'' clear crawl space, the interior of hollow walls; spaces between a floor or porch deck and the ceiling below; areas behind stoves, refrigerators or beneath floor coverings, defacing or tearing out lumber, masonry or finished work; areas behind storage space, cupboards or lighting fixtures which make inspection impractical, portions of the subarea concealed or made inaccessible by dusting or insulation, areas beneath wood floors over concrete, and areas concealed by heavy furniture. Areas or timbers around eaves were visually inspected from ground level only. Although we make visual vegetation. Areas or timbers around eaves were visually inspected from ground level only. Although we make visual

B. Slab floor construction has become more prevalent in recent years. Floor covering may conceal cracks in the slab that will allow infestation to enter. Infestations in the walls may be concealed by plaster so that a diligent inspection may not disclose the true condition. These areas are not practical to inspect because of the nature of the hazard, damage to the structure, or inconvenience. They were not inspected unless described in this report. We recommend further inspection if there is any doubt about the above note. Ref: Structural Pest Control Act, Article 6, Section 8516(b), paragraph 1990(11). Amended effective March 1, 1974. Inspection is limited to disclosure of wood destroying pests or organisms as set forth in the Structural Pest Control Act, Article 6, Section 8516(b), Paragraph 1990-1991.

C. A re-inspection will be performed, if requested within four (4) months from date of original inspection, on any corrective work that we are regularly in the business of performing. If CERTIFICATION is required, then any work performed by others must be CERTIFIED by them. There is a re-inspection fee.

D. EAST BAY STRUCTURAL & TERMITE CO. will reinspect, BUT NOT APPRORVE, work performed by others. Although our company will reinspect work performed by others, we will offer no guarantees as to the quality of workmanship or of materials used, even if the work is acceptable. If any guarantees or warranties are required or desired for work performed by others, we advise that you obtain same from the contractor or person that has performed the work, prior to close of escrow.

E. This report includes findings related to the presence/absence of wood destroying organisms and/or visible signs of leaks in the accessible portions of the roof. The inspector did not go onto the roof surface due accessible physical damage to the roof, or personal injury. No opinion is rendered nor guarantee implied concerning the water-tight integrity of the roof or the condition of the roof and roofing materials. If interested parties desire further information on the condition of the roof, we recommend that they engage the services of a licensed roofing contractor.

F. Second story stall showers are inspected but not water tested unless there is evidence of leaks in ceiling below. Ref: Structural Pest Control Rules and Regulations, Sec. 8516(b). Sunken or below grade showers or tubs are not water tested due to their construction.

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

H. During the process of treatment or replacement it may be necessary to drill holes through tiles or other floor coverings; These holes will then be sealed with concrete. We will exercise due care but assume no responsibility for cracks, chipping or other damage to floor coverings. We do not re-tye carpeting.

I. We assume no responsibility for damage to any Plumbing, Gas or Electrical lines, etc., in the process of pressure treatment of concrete slab or replacement of concrete or structural timbers.

J. Your termite report and clearance will cover DING EXISTING infestation or infection which is outlined in this report. If Owner of property desires coverage of any new infestation it would be advisable to obtain a Control Service Policy which would cover any new infestation for the coming year.

K. I agree to pay reasonable attorney's fees if suit is required by this COMPANY to enforce any terms of this contract, together with the costs of such action, whether or not suit proceeds to judgment.

L. The total amount of this contract is due and payable upon completion of work unless otherwise specified. A finance charge computed at a Monthly Rate of 1.5% of the unpaid balance (annual percentage rate of 18%) will be added to all accounts past due.

M. If this report is used for escrow purposes then it is agreed that this inspection report and completion, if any, is part of the ESCROW TRANSACTION. However, if you received written or verbal instructions from any interested parties involved in this escrow (agents, principals, etc.) to not pay our invoice at close of escrow, you are instructed by us not to use these documents to satisfy any conditions or terms of your escrow for purposes of closing the escrow. Further, you are instructed to return all of our documents and the most current mailing address you have on file for the property owner.
II. Owner/agent/tenant acknowledges and agrees that inspection of the premises will not include any type of inspection for the presence or non-presence of asbestos or lead and that this report will not include any findings or opinions regarding the presence or non-presence of asbestos or lead in, upon or about the premises. We recommend that you contact a contractor specifically licensed to engage in asbestos or lead related work. Further, should we discover the presence of asbestos or lead during our inspection of the premises or should our inspection of the premises cause a release of asbestos or lead dust or particles, owner/agent/tenant shall be solely responsible for the cleanup, removal and disposal of the asbestos or lead and the cost thereof. Owner/agent/tenant hereby agrees to waive any and all claims against this Company which are in any way related to the presence of asbestos or lead on the premises and further agrees to indemnify and hold this Company harmless from any and all claims of any nature asserted by any third party, including this Company's employee, which is in any way related to the presence of asbestos or lead on the premises.

III. During the course of repairs, if damage is found to extend further than outlined below, this estimate includes repair of the area. Should others perform repairs as outlined in this report, they should also assume responsibility for any additional damage that is uncovered during the course of said repairs.
THIS EXPLAINS THE SCOPE AND LIMITATIONS OF A STRUCTURAL PEST CONTROL INSPECTION.

THIS IS A WOOD DESTROYING PEST AND ORGANISMS INSPECTION REPORT. THIS INSPECTION IS PERFORMED AND CONTAINS INFORMATION AS GOVERNED BY THE STRUCTURAL PEST CONTROL ACT, ITS RULES AND REGULATIONS. THIS INSPECTION IS OF EVIDENCE OF INFESTATIONS OR INFESTATIONS OF THE VISIBLE AND ACCESSIBLE AREAS ON THE DAY OF INSPECTION. STRUCTURES HAVE INACCESSIBLE AREAS. IF PERSONAL BELONGINGS, FURNITURE OR FLOORCOVERING ARE REMOVED, OR EXTERIOR WALL COVERINGS REMOVED AND AN INFESTATION OR INFECTION OR DAMAGED WOOD IS FOUND AT THAT TIME, A SUPPLEMENTAL REPORT WILL BE WRITTEN ON THE FINDINGS AND RECOMMENDATIONS AND COST TO REPAIR THESE AREAS.

"THIS PROPERTY WAS NOT INSPECTED FOR THE PRESENCE OR ABSENCE OF HEALTH RELATED MOLDS AND FUNGI. BY CALIFORNIA LAW, WE ARE NEITHER QUALIFIED, AUTHORIZED, NOR LICENSED TO INSPECT FOR HEALTH RELATED MOLDS OR FUNGI. IF YOU DESIRE INFORMATION ABOUT THE PRESENCE OR ABSENCE OF HEALTH RELATED MOLDS, YOU SHOULD CONTACT AN INDUSTRIAL HYGIENIST.

THIS IS A SEPARATED REPORT. IT IS DEFINED AS SECTION 1 & SECTION 2 CONDITIONS EVIDENT ON THE DATE OF INSPECTION. SECTION 1 CONTAINS ITEMS WHERE THERE IS EVIDENCE OF ACTIVE INFESTATION, INFESTATION OR CONDITIONS THAT HAVE RESULTED IN OR FROM INFESTATION OR INFECTION. SECTION 2 ITEMS ARE CONDITIONS DEEMED LIKELY TO LEAD TO INFESTATION OR INFECTION, BUT WHERE NO VISIBLE EVIDENCE OF SUCH WAS FOUND. FURTHER INSPECTION ITEMS ARE DEFINED AS RECOMMENDATIONS TO INSPECT AREAS WHICH DURING THE ORIGINAL INSPECTION, DID NOT ALLOW THE INSPECTOR ACCESS TO COMPLETE THE INSPECTION AND CANNOT BE DEFINED AS SECTION 1 OR SECTION 2.

PORCHES-STEPS-DECKS-PATIOS:

Item 3A: Fungus and rot decay was noted to the deck framing at the edge as shown on the diagram.

RECOMMENDATION: Remove damaged wood and replace with new and reinforce the framing.

****** This is a Section 1 Item ******

Item 3B: Rot decay was noted to the bottom rails of the deck at 2 locations.

RECOMMENDATION: Remove damaged wood and replace with new.

****** This is a Section 1 Item ******

Item 3C: One post is damaged by decay. One pad is damaged by decay.

RECOMMENDATION: Remove damaged post and pad and replace with new and apply one coat of white primer to new exposed wood.

****** This is a Section 1 Item ******
INTERIOR-STALL SHOWER-ATTIC:

Item 5A: The attic was inspected as much as accessible. Insulation was noted. No indication of damage was noted.

******** Information Item ********

Item 5B: A crack was noted at the tubwall tiles. No loose tiles were noted. Excessive caulking and grout was noted around the tiles as well.

RECOMMENDATION: Maintenance is recommended.

***** This is a Section 2 Item *****

EXTERIOR-ABUTMENTS:

Item 6A: The edge of the fascia board as shown is damaged by decay.

RECOMMENDATION: Remove damaged wood and replace with new.

***** This is a Section 1 Item *****

Item 6B: Decay was noted at the bottom of the exterior siding along the side of the diagram shown.

RECOMMENDATION: Cut the bottom of the siding and trim and dry pack the void with mortar.

***** This is a Section 1 Item *****

Item 6C: Fungus and rot decay was noted at the bottom trims of the bay windows as shown.

RECOMMENDATION: Remove and replace all damaged wood as necessary and apply one coat of white primer to new exposed wood.

***** This is a Section 1 Item *****

Item 6D: Rot decay was noted at the bottom of the exterior shingles at the corner shown.

RECOMMENDATION: Remove damaged shingles. Remove any damaged framing, install moisture barrier, and new shingles to match. No staining is included.

***** This is a Section 1 Item *****

GENERAL NOTES

THE EXTERIOR SURFACE OF THE ROOF WAS NOT INSPECTED. IF YOU WANT THE WATER TIGHTNESS OF THE ROOF DETERMINED, YOU SHOULD CONTACT A ROOFING CONTRACTOR WHO IS LICENSED BY THE CONTRACTOR'S STATE LICENSE BOARD.

The owner is advised to keep all tub backs, floor coverings and sink countertops well sealed to preclude the entrance of moisture onto unprotected wood.

EAST BAY STRUCTURAL & TERMITE COMPANY — License No. PR 4263
The owner is advised to keep all exterior surfaces well sealed and painted to preclude the entrance of moisture onto unprotected wood.

The attic was not inspected due to the type of construction. Should the owner request and after we have received a written waiver of responsibility for the possibility of damage to finished ceilings during the course of an inspection, we will return to the property, inspect and issue a supplemental report outlining our complete findings.
OCCUPANTS CHEMICAL NOTICE

East Bay Structural & Termite Company will use pesticide chemical(s) specified below for the control of wood destroying pests or organisms in locations identified in the Structural Pest Control report as indicated above.

(1) The pest(s) to be controlled:

- _____ SUBTERRANEAN TERMITES  √ FUNGUS or DRY ROT
- _____ BEETLES  _____ DRY-WOOD TERMITES  _____ OTHER ________

(2) The pesticide(s) proposed to be used and the active ingredient(s):

- A. DURSBAN TC: Active ingredients: Chlorpyrifos (0.0-diethyl 0-(3,5,6-trichloro-2-pyridinyl) phosphorothioate) 42.8%.
- √ B. COPPER NAPHTHALENE: Active ingredients: Copper Naphthenate 20%; inert ingredients 80%.
- √ C. TIM-BOR: Active ingredients: Disodium Octaborate Tetrahydrate; 98%. Inert ingredients 2%.
- _____ D. VIKANE: Sulphuryl Flouride.
- _____ E. PREMISE 75: Active Ingredient: Imidacloprid, 1-[(6-Chloro-3-pyridinyl) methyl] -N-nitro-2-imidazolidinimine, 75% Inert Ingredients 25%

(3) "State law requires that you be given the following information:
CAUTION—PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Operators are licensed and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Food and Agriculture and the United States Environmental Protection Agency. Registration is granted when the State finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized.

"If within 24 hours following application you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center at (800) 876-4766 and your pest operator immediately.

For further information, contact any of the following:
East Bay Structural & Termite Company .................. (510) 652-4712
Alameda County Agriculture Commissioner .......... (510) 670-5232
Contra Costa County Health Department ............ (925) 313-5710
Contra Costa County Agriculture Commissioner (925) 646-5250
Poison Control Center ................................. (800) 222-1222
Structural Pest Control
Persons with respiratory or allergic conditions, or others who may be concerned about their health relative to this chemical treatment, should contact their physician concerning occupancy during and after chemical treatment prior to signing this NOTICE.

NO CHEMICAL APPLICATION WILL BE PERFORMED UNTIL SUCH TIME THAT THIS NOTICE IS RETURNED. HAVING READ THE INSTRUCTIONS, I, THE UNDERSIGNED, WILL ACCEPT RESPONSIBILITY FOR ALL THE AFOREMENTIONED.

OWNER/OCCUPANT _____ DATE _____
WORK AUTHORIZATION CONTRACT

Address of Property: 2012A DELAWARE STREET, BERKELEY, CA, 94709
Inspection Date: 01/22/2004
Report #: 203238
Title Co. & Escrow #: 

We Authorize the Following Section 1 Items to be Performed.
3A,3B,3C,5A,6B,6C,6D

Proposed Cost Section 1: $2260.00

We Authorize the Following Section 2 Items to be Performed.

Proposed Cost Section 2: $0.00

Total - All Sections: $2260.00

CUSTOMER INFORMATION

The total amount of this contract is due and payable upon completion of the work listed above unless otherwise specified. Only the work specified in the contract is being done at this time due to owners wishes. ANY WORK PERFORMED AGAINST AN EXISTING TITLE ESCROW WILL BE THE FINANCIAL RESPONSIBILITY OF THE PARTY ORDERING THE WORK, IN THE EVENT OF A CANCELLED TITLE ESCROW.

Work completed (LABOR) by operator shall be guaranteed for a period of one year from completion. Toilet plumbing (parts supplied by this firm), showers, floors or any measures for the control of moisture are guaranteed for (30) days only. Chemical treatments are guaranteed for one year. Only the areas treated are guaranteed.

Customer agrees to hold company harmless for any damage which may occur to plants, life, wiring, trees, vines, pets, tile roofs, plumbing leaks, or changes beyond control of the company which may occur during the performance of this work. In case of non-payment by owner, reasonable attorney's fees and costs of collection shall be paid by the owner, whether suit be filed or not. A SERVICE CHARGE OF 1-1/2 PERCENT PER MONTH WILL BE CHARGED ON ALL BALANCES OVER 30 DAYS. THE 1-1/2 PERCENT PER MONTH, EQUALS 18 PERCENT PER ANNUM ON THE UNPAID BALANCES.

Any additional damage found while work is being performed will be supplemented by a report or to additional findings and costs.

All repairs performed must be re-inspected by OUR COMPANY before a CERTIFICATION will be issued. We do not guarantee work completed by others. Any repairs completed by others must be guaranteed in writing and submitted to OUR COMPANY before a CERTIFICATION will be issued. This firm does not make statements concerning workmanship. Workmanship is only determinable by those paying for or receiving these services.

If at the time of repairs to decks, the damage is found to be more extensive, a supplemental report will be issued along with a bid for any other corrections that maybe necessary.

A re-inspection of specific items on the report or of any other conditions pertaining to this structure can be done at an ADDITIONAL COST PER TRIP. The re-inspection must be done within (4) months of the original inspection.

Our inspectors are not equipped with 40 ft. ladders therefore all two story buildings will not be inspected at the eaves unless requested.

NOTICE TO PROPERTY OWNERS: (Section 7018 of the California Contractors License Law, Business & Professional Code Div. 3, Chap. 9) Provides under the Mechanic's Lien Law any contractor, subcontractor, laborer, supplier or other person who helps to improve your property but is not paid for his work or supplies has a right to enforce a claim against your property. This means that, after a court hearing, your property could be sold by the court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your own contractor in full, if the subcontractor, laborer, or supplier remains unpaid.

** NOTE **: Inspection fee is billed separately above any work costs.

I have read this work authorization contract and WDO inspection report it refers to.

I have read and understand the terms of this work authorization contract and hereby agree to all terms therein.

APPROVED AND READ BY: DATE

ACCEPTED FOR: DATE

EAST BAY STRUCTURAL & TERMITE COMPANY
WORK AUTHORIZATION CONTRACT

Address of Property:  2012A DELAWARE STREET, BERKELEY, CA, 94709
Inspection Date:  01/22/2004
Report #:  203238
Title Co. & Escrow #: 

SECTION 1

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FURTHER INSPECTION

MOLD DISCLAIMER

There may be health related issues associated with the structural repairs reflected in the inspection report referenced by this Work Authorization Contract. These health issues include but are not limited to the possible release of mold spores during the course of repairs. We are not qualified to and do not render any opinion concerning such health issues or any special precautions. Any questions concerning health issues or any special precautions to be taken prior to or during the course of such repairs should be directed to a Certified Industrial Hygienist before any such repairs are undertaken.

BY EXECUTING THIS WORK AUTHORIZATION CONTRACT, CUSTOMER ACKNOWLEDGES THAT HE OR SHE HAS BEEN ADVISED OF THE FOREGOING AND HAS HAD THE OPPORTUNITY TO CONSULT WITH A QUALIFIED PROFESSIONAL.

Customer's Initials  Date
ABCD GENERAL ROOFING CO.
5118 McBRYDE AVENUE
RICHMOND, CA 94805
(510) 234-1659
State License # 456280
(B. C 39)

Proposal

PROPOSAL SUBMITTED TO
ROBERT CARIO

PROJECT START DATE
DATE

JOB NAME
RAFOILING

STREET
2870 GALE EREW 30

JOB LOCATION

CITY, STATE, ZIP/PLACE

We hereby submit specifications and estimates for:

1. Tear off existing metal roof.
2. Insulate attic floor
3. Apply 1/32"X60" shingles over existing roof.
4. Apply 1 layer of #30 felt under tiles.
5. Install metal valley and gutters.
6. Clean up site.

The above specified work will be under three years after date of completion.

WE PROPOSE, hereby to furnish material and labor — complete in accordance with above specifications, for the sum of $2,587.00.

Payment to be made as follows:

DEPOSIT $600.00
BALANCE UPON COMPLETION

VENT EXTRA WORK PHONE 415-894-3195

"NOTICE TO OWNER"

Under the Mechanics' Lien Law, any contractor, subcontractor, laborer, materialmen or other person who helps to improve your property and is not paid for his labor, services or material, has a right to enforce his claim against your property.

Under the law, you may protect yourself against such claims by filing, before commencing such work of improvement, an original contract for the work of improvement at a modification thereof, in the office of the county recorder of the county where the property is situated and recording that a contractor's payment bond be recorded in such office. Said bond shall be in an amount not less than fifty percent (50%) of the contract price and shall, in addition to any conditions for the performance of the contract, be conditioned for the payment in full of the claims of all persons furnishing labor, services, equipment or materials for the work described in said contract.

Authorized
Signature

Byung Yong Yi

Note: This proposal may be withdrawn by us if not accepted within _______ days.

Acceptance of Proposal

The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance: 6/14/99

Signature

Authorized

CONSTRUCTION CONTRACT

CONTRACTOR:
Environmental Design/Build
George J. Nesbitt
1712 Marin Avenue
Berkeley, CA 94707-2206
(510) 526-2715
goeedb@idiom.com
CNSB B#656183

OWNER:
Robert Cario
2012 A Delaware Street
Berkeley, CA 94709-2122
(510) 883-9010

PROJECT:
Cario-Doors
2012 A Delaware Street
Berkeley, CA 94709-2122

I. PARTIES

This contract (hereinafter referred to as "Agreement") is made and entered into on October 27th, 1998, by and between Robert Cario, (hereinafter referred to as "Owner"); and George J. Nesbitt dba Environmental Design/Build, (hereinafter referred to as "Contractor"). In consideration of the mutual promises contained herein, Contractor agrees to perform the following work:

II. DESCRIPTION OF WORK

be required to establish accurate property boundaries for setback purposes (fences and old stakes may not be located on actual property lines). Final construction cleaning (Contractor will leave site in "broom swept" condition). Landscaping and irrigation work of any kind. Temporary sanitation, power, or fencing. Correction of existing out-of-plumb or out-of-level conditions in existing structure. Correction of concealed substandard framing. Rerouting/removal of vents, pipes, ducts, structural members, wiring or conduits, steel mesh which may be discovered in the removal of walls or the cutting of openings in walls. Removal and replacement of existing rot or insect infestation. Failure of surrounding part of existing structure, despite Contractor's good faith efforts to minimize damage, such as plaster or drywall cracking and popped nails in adjacent rooms or blockage of pipes or plumbing fixtures caused by loosened rust within pipes; Exact matching of existing finishes. Repair of damage to roadways, driveways, or sidewalks that could occur when construction equipment and vehicles are being used in the normal course of construction.

3. PERMITS, PLANS, ENGINEERING & ARCHITECTURAL FEES, UTILITY CONNECTION FEES, AND SPECIAL TESTING FEES: This Agreement does not include the cost of coordinating or submitting for the permits, fees, and services referred to above. If Owner requests Contractor to coordinate any of these services or obtain any of the permits above, Contractor will perform this work on an hourly basis at the hourly rate of: $35.00

Owner (not Contractor) is to enter into contracts for all of the above-mentioned services and provide direct payment to the people or agencies contracted with for all of the services and permit fees in the paragraph above.

B. COMMENCEMENT/COMPLETION OF WORK
Owner will have the job site ready for construction by the approximate date of commencement of work.
Contractor will substantially commence work on approximately October 27th, 1993.

NOTICE: FAILURE OF CONTRACTOR, WITHOUT LAWFUL EXCUSE, TO SUBSTANTIALLY COMMENCE WORK WITHIN 20 DAYS FROM THE APPROXIMATE DATE SPECIFIED IN THE CONTRACT WHEN WORK IS TO BEGIN IS A VIOLATION OF THE CONTRACTOR'S LICENSE LAW. (PER SECTION 7159(J) OF THE CALIFORNIA BUSINESS AND PROFESSIONS CODE)

Contractor will substantially complete work on approximately November 20th, 1993, not including adjustments for delays caused by: inclement weather, additional time required for Change Order work (as specified in each Change Order), delays caused by Owner, and other delays unavoidable or beyond the control of the Contractor.

Substantial commencement of work

C. EXPIRATION OF THIS AGREEMENT
5. CHANGES REQUIRED BY PLAN CHECKERS OR FIELD INSPECTORS: Any increase in the Scope of Work set forth in the Contract Documents which is required by plan checkers or field inspectors with city or county building/planning departments will be treated as Additional Work to this Agreement for which the Contractor will issue a Change Order.

6. RATES CHARGED FOR ALLOWANCE-ONLY AND COST PLUS WORK:
Journeyman Carpenter: $25. per hour; Apprentice Carpenter: $22.50 per hour;
Laborer: $15. per hour; Contractor: $25 per hour; Subcontractor: Amount charged by Subcontractor. Note: Contractor will charge for profit and
overhead at the rate of 33% on all work performed on a Time-and-Materials
basis (on both materials and labor rates set forth in this paragraph) and on all
costs that exceed specifically stated ALLOWANCE estimates in the
Agreement.

F. PAYMENT SCHEDULE AND PAYMENT TERMS

1. PAYMENT SCHEDULE:
• First Payment: Contract deposit payment, due at signing of contract.
$5,454.40
NOTICE: BY CALIFORNIA LAW, DOWN PAYMENT CANNOT EXCEED $1,000 OR 10% OF THE
CONTRACT PRICE, WHICHEVER IS LESS.
• Second Payment (Materials Deposits): Contractor has to pay for all special
order items, and some materials and services require deposits. Contractor will
invoice owner, and will not be order materials and services until the deposits
set forth below are received. Materials Deposits required on this project
include the following:
  Doors, Locksets, Hinges... $1,454...

• Third Payment: Fabrication of doors, ready to be installed. $1,200
• Fourth Payment: Doors installed, trimmed. $137.50
• Fifth Payment: Electrical work, and wall patching complete. $450...
• Final Payment: Due upon Substantial Completion of Work. $429.60

NOTICE: CONTRACTOR, UPON SATISFACTORY PAYMENT BEING MADE FOR ANY
PORTION OF THE WORK, BEFORE RECEIVING ANY FURTHER PAYMENT, SHALL GIVE TO
THE OWNER, A FULL AND UNCONDITIONAL RELEASE FROM ANY CLAIM OR
MECHANICS' LIEN FOR THAT PORTION FOR WHICH PAYMENT HAS BEEN MADE.

2. PAYMENT OF CHANGE ORDERS: Payment for each Change Order is due
upon completion of Change Order work and submittal of invoice by Contractor.

3. ADDITIONAL PAYMENTS FOR ALLOWANCE WORK AND RELATED
CREDITS: Payment for work designated in the Agreement as ALLOWANCE
work has been initially factored into the Lump Sum Price and Payment Schedule
set forth in this Agreement. If the actual cost of the ALLOWANCE work
exceeds the line item ALLOWANCE amount in the Agreement, the difference
Owner must inform Contractor of this requirement in writing within seven (7) days of signing this Agreement. Contractor will then provide Owner with either a materials sample or a test patch prior to the commencement of work involving the matching of existing finishes.

Owner must then approve or disapprove of the suitability of the match within 24 hours. After that time, or after Contractor has provided Owner with two or more test patches that have been rejected by Owner, all further test patches, materials submittals, or any removal and replacement of materials already installed in accordance with the terms of this section will be performed strictly as Extra Work on a time-and-materials basis by Contractor.

2. CONFLICT OF DOCUMENTS: If any conflict should arise between the plans, specifications, addenda to plans, and this Agreement, then the terms and conditions of this Agreement shall be controlling and binding upon the parties to this Agreement.

3. INSTALLATION OF OWNER-SUPPLIED FIXTURES AND MATERIALS: Contractor cannot warrant any Owner-Supplied materials or fixtures (whether new or used). If Owner-supplied fixtures or materials fail due to a defect in the materials or fixtures themselves, Contractor will charge for all labor and materials required to repair or replace both the defective materials or fixtures, and any surrounding work that is damaged by these defective materials or fixtures.

4. CONTROL AND DIRECTION OF EMPLOYEES AND SUBCONTRACTORS: Contractor, or his appointed Supervisor, shall be the sole supervisor of Contractor's Employees and Subcontractors. Owner must not order or request Contractor's Employees or Subcontractors to make changes in the work. All changes in the work are to be first discussed with Contractor and then performed according to the Change Order process as set forth in this Agreement.

5. OWNER COORDINATION WITH CONTRACTOR: Owner agrees to promptly furnish Contractor with all details and decisions about unspecified construction finishes, and to consent to or deny changes in the Scope of Work that may arise so as not to delay the progress of the Work. Owner agrees to furnish Contractor with continual access to the job site.

6. CONTRACTOR NOT TO BE RELIED UPON AS ARCHITECT, ENGINEER, OR DESIGNER: The Contractor is not an architect, engineer, or designer. Contractor is not being hired to perform any of these services. To the extent that Contractor makes any suggestions in these areas, the Owner acknowledges and agrees that Contractor's suggestions are merely options that the Owner may want to review with the appropriate design professional for consideration. Contractor's suggestions are not a substitute for professional engineering, architectural, or design services, and are not to be relied on as such by Owner.
INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION.

"I (WE) AGREE TO ARBITRATION"

_________________________  10/27/1998
George J. Nesbit, dba Environmental Design/Build  Date

_________________________  10/28/98
Robert Cario, Owner  Date

J. INSURANCE
Owner shall pay for and maintain "Course of Construction" or "Builder's Risk" or any other insurance that provides the same type of coverage to the Contractor's work in progress during the course of the project. It is Owner's express responsibility to insure dwelling and all work in progress against all damage caused by fire and Acts of God such as earthquakes, floods, etc.

K. WARRANTY
Contractor provides a limited warranty on all Contractor- and Subcontractor-supplied labor and materials used in this project for a period of one year following substantial completion of all work.

No warranty is provided by Contractor on any materials furnished by the Owner for installation. No warranty is provided on any existing materials that are moved and/or reinstalled by the Contractor within the dwelling (including any warranty that existing/used materials will not be damaged during the removal and reinstallation process). One year after substantial completion of the project, the Owner's sole remedy (for materials and labor) on all materials that are covered by a manufacturer's warranty is strictly with the manufacturer, not with the Contractor.

Repair of the following items is specifically excluded from Contractor's warranty: Damages resulting from lack of Owner maintenance; damages resulting from Owner abuse or ordinary wear and tear; deviations that arise such as the minor cracking of concrete, stucco and plaster; minor stress fractures in drywall due to the curing of lumber; warping and deflection of wood; shrinking/cracking of grouts and caulking; fading of paints and finishes exposed to sunlight.

THE EXPRESS WARRANTIES CONTAINED HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, HABITABILITY, OR FITNESS FOR A PARTICULAR USE OR PURPOSE. THIS LIMITED WARRANTY EXCLUDES CONSEQUENTIAL AND INCIDENTAL DAMAGES AND LIMITS THE DURATION OF IMPLIED WARRANTIES TO THE FULLEST EXTENT PERMISSIBLE UNDER STATE AND FEDERAL LAW.

L. ENTIRE AGREEMENT, SEVERABILITY, AND MODIFICATION
UNCONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

OWNER:  
Robert Cario  
2012 A Delaware Street  
Berkeley, CA 94709-2122  
(510) 883-4010

PROJECT:  
Cario-Doors  
2012 A Delaware Street  
Berkeley, CA 94709-2122

The undersigned has been paid and has received a progress payment in the sum of $1375.00 check # 1724 received 12/4/1998 for labor, services, equipment, or material furnished to Robert Cario on the job of Robert Cario located at 2012 A Delaware Street, Berkeley, CA 94709-2122 and does hereby release*** any mechanic’s lien, stop notice, or bond right that the undersigned has on the above referenced job to the following extent. This release covers a progress payment for labor, services, equipment, or materials furnish to Robert Cario through 12/4/1998 only and does not cover any retentions obtained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release any mechanic’s lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a recission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment.

***NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGHT IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

[Signature]

Environmental Design/Build  
By (Owner) George J. Nesbitt
2. Patio door; remove existing window, sheetrock, insulation, trim, sheathing, and cedar shingles. Install new door. New door; 1 ea. 3'-0" x 6'-8" x 1-3/4". 1 light, dual glazed douglas fir exterior door. New jamb; 17 in ft. 1-3/16" x 5-1/4". douglas fir exterior jamb. Hinges; 3 ea. Hagar 4" x 4" bright brass, ball tip, architectural grade hinge. Lockset; 1 ea. Resource Conservation Technology 3 point mortise lockset. Door bottom; 3 ft. Pemco 3452D..dark bronz anodized aluminum drip edge with vinyl sweep. Weatherstrip; Pemco P50B.black thermoplastic weatherstrip. Exterior Trim; 18 in ft. 3/4" x 4-1/4". S4S clear heart.kiln.dried.redwood trim; 18 in ft. Kelelehr R-6.16 11/16" x 1-5/8" redwood shingle mould. Interior Trim; 18 in ft. 3/4"x2-1/2" clear heart kiln.dried. redwood trim. Interior Painting; Devo Wonderpure.1C.19.1 Siberian.lcis.satin finish interior paint..Exterior Painting; Fuller O'brien S6.24-5 shaded green.satin finish exterior paint..Flashing; rubberized self sealing flashing..metal pan flashing..metal head flashing. Exterior Siding; patch around door with #1 cedar shingles. Sill/threshold; 4 in ft. Keeler 0-Sill 7. oak door sill; oak reducer. Interior Finish; patch wallboard, tape, mudd, and texture. $2694

3. Patio Light; install light fixture supplied by owner. on exterior. between new door and existing bay window. $300

4. Exterior Siding; Patch 2. shingle on second floor of southwest corner of house. $no charge

5. Interior Finish; Patch water damage under 2nd floor bathroom door. Tape. mudd, and texture as necessary. $150

CONTRACT PRICE FOR ALL WORK ABOVE: $5454

III. GENERAL CONDITIONS

A. EXCLUSIONS
This Agreement does not include labor or materials for the following work:

1. PROJECT SPECIFIC EXCLUSIONS:
   1. Dry rot repair.
   2. Concealed conditions under window.
   3. Staining or oiling of new cedar singles.

2. STANDARD EXCLUSIONS:
   Unless specifically included in the "Description of Work" section above, this Agreement does not include labor or materials for the following work: Plans, engineering fees, or governmental permits and fees of any kind. Testing, removal and disposal of any materials containing asbestos (or any other hazardous material as defined by the EPA). Custom millling of any wood for use in project. Moving Owner's property around the site. Labor or materials required to repair or replace any Owner-supplied materials. Repair of concealed underground utilities which are damaged during construction. Ownership that may
This Agreement will expire 30 days after the date at the top of page one of this Agreement if not first accepted in writing by Owner.

D. WORK PERFORMED BY OWNER OR OWNER’S SEPARATE SUBCONTRACTORS
Any labor or materials provided by the Owner’s separate Subcontractors while Contractor is still working on this project must be supervised by Contractor. Profit and overhead at the rate of 33% will be charged on all labor and materials provided by Owner’s separate Subcontractors while Contractor is still working on the project. Contractor has right to qualify and approve Owner’s Subcontractors and require evidence of work experience, proper licensing, and insurance. If Owner wants to avoid paying Contractor’s profit and overhead per this section, Owner must then bring in his separate Subcontractors only before or after Contractor has performed all of his work.

E. CHANGE ORDERS
NOTICE: NO EXTRA OR CHANGE ORDER WORK SHALL BE REQUIRED TO BE PERFORMED WITHOUT THE PRIOR WRITTEN AGREEMENT OF THE OWNER. ANY CHANGE ORDER FORMS SHALL BE INCORPORATED IN AND SHALL BECOME A PART OF THE CONTRACT.

2. CONCEALED CONDITIONS: This Agreement is based solely on the observations Contractor was able to make with the structure in its current condition at the time this Agreement was bid. If additional concealed conditions are discovered once work has commenced which were not visible at the time this proposal was bid, Contractor will stop work and point out these unforeseen concealed conditions to Owner so that Owner and Contractor can execute a Change Order for any Additional Work.

3. CHANGES IN THE WORK: During the course of the project, Owner may order changes in the work (both additions and deletions). The cost of these changes will be determined by the Contractor and the cost of this Additional Work will be added to Contractor’s profit and overhead at the rate of 33% in order to arrive at the net amount of any Additional Change Order work.

Contractor’s profit and overhead, and supervisory labor will not be credited back to Owner with any deductive Change Orders (work deleted from Agreement by Owner).

4. DEVIATION FROM SCOPE OF WORK: Any alteration or deviation from the Scope of Work referred to in this Agreement involving extra costs of materials or labor (including any overage on ALLOWANCE work and any changes in the Scope of Work required by governmental plan checkers or field building inspectors) will be executed upon a written Change Order issued by Contractor and should be signed by Contractor and Owner prior to the commencement of Additional Work by the Contractor.
between the cost and the line item ALLOWANCE amount stated in the Agreement will be written up by Contractor as a Change Order subject to Contractor's profit and overhead at the rate of 33%.

If the cost of the ALLOWANCE work is less than the ALLOWANCE line item amount listed in the Agreement, a credit will be issued to Owner after all billings related to this particular line item ALLOWANCE work have been received by Contractor. This credit will be applied toward the final payment owing under the Agreement. Contractor profit and overhead and any supervisory labor will not be credited back to Owner for ALLOWANCE work.

4. FINAL CONTRACT PAYMENT: The final contract payment is due and payable upon "Substantial Completion" (not Final Completion) of all work under contract. "Substantial Completion" is defined as being the point at which the Building/Work of improvement is suitable for its intended use, or the issuance of an Occupancy Consent, or final building department approval from the city or county building department, whichever occurs first.

5. HOLD BACK FROM FINAL PAYMENT FOR PUNCH LIST WORK: At time of making the final contract payment, Owner may hold back 1.50% of the value of all Punch List work. Owner and Contractor will place a fair and reasonable value on each Punch List item at time of Punch List walk-through with Owner. Contractor and Owner will then execute the Punch List form. This 1.50% hold back for Punch List work assures Owner that all Punch List work will be completed by Contractor in a timely manner.

6. PAYMENT FOR COMPLETED PUNCH LIST WORK: Payment for completed Punch List items is due and payable upon submittal of invoice for those completed items, even though entire Punch List is not completed.

7. INTEREST CHARGES: Interest in the amount of 1%-1/2% per month will be charged on all late payments under this Agreement. "Late Payments" are defined as any payment not received within 7 days of receipt of invoice from Contractor.

6. MISCELLANEOUS CONDITIONS

1. MATCHING EXISTING FINISHES: Contractor will use his best efforts to match existing finishes and materials. However, an exact match is not guaranteed by Contractor due to such factors as discoloration from aging, a difference in dye lots, discontinuation of product lines, and the difficulty of exactly matching certain finishes, colors, and planes. Custom milling of materials has not been included in this Agreement, unless specifically stated in the Scope of Work section above. Unless custom milling of materials is specifically called out in the plans, specifications, or Scope of Work description above, any material not readily available at local lumberyards or suppliers is not included in this Agreement. If Owner requires an exact match of materials or textures in a particular area,
H. WORK STOPPAGE, TERMINATION OF CONTRACT FOR DEFAULT, AND INTEREST

Contractor shall have the right to stop all work on the project and keep the job idle if payments are not made to Contractor in accordance with the Payment Schedule in this Agreement, or if Owner repeatedly fails or refuses to furnish Contractor with access to the job site and/or product selections or information necessary for the advancement of Contractor's work. Simultaneous with stopping work on the project, the Contractor must give Owner written notice of the nature of Owner's default and must also give the Owner a 14-day period in which to cure this default.

If work is stopped due to any of the above reasons (or for any other material breach of contract by Owner) for a period of 14 days, and the Owner has failed to take significant steps to cure his default, then Contractor may, without prejudicing any other remedies Contractor may have, give written notice of termination of the Agreement to Owner and demand payment for all completed work and materials ordered through the date of work stoppage, and any other loss sustained by Contractor, including Contractor's Profit and Overhead at the rate of 33% on the balance of the incomplete work under the Agreement. Thereafter, Contractor is relieved from all other contractual duties, including all Punch List and warranty work.

I. DISPUTE RESOLUTION AND ATTORNEY'S FEES

Any controversy or claim arising out of or related to this Agreement involving an amount of less than $5,000 (or the maximum limit of the court) must be heard in the Small Claims Division of the Municipal Court in the county where the Contractor's office is located. Any controversy or claim arising out of or related to this Agreement which is over the dollar limit of the Small Claims Court must be settled by binding arbitration administered by the American Arbitration Association in accordance with the Construction Industry Arbitration Rules. Judgment upon the award may be entered in any Court having jurisdiction thereof.

The prevailing party in any legal proceeding related to this Agreement shall be entitled to payment of reasonable attorney's fees, costs, and expenses.

"NOTICE: BY INITIALIZING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALIZING IN THE SPACE BELOW YOU ARE GIVING UP JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE BUSINESS AND PROFESSIONS CODE OR OTHER APPLICABLE LAWS. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY. WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS
This Agreement represents and contains the entire agreement between the parties. Prior discussions or verbal representations by Contractor or Owner that are not contained in this Agreement are not a part of this Agreement. In the event that any provision of this Agreement is at any time held by a court to be invalid or unenforceable, the parties agree that all other provisions of this Agreement will remain in full force and effect. Any future modification of this Agreement must be made in writing and executed by Owner and Contractor in order to be valid and binding upon the parties.

M. ADDITIONAL LEGAL NOTICES REQUIRED BY STATE OR FEDERAL LAW

Notice To Owner. Regarding Mechanics' Lien Law
Notice Concerning licensure
Notice Of Cancellation
Disciplinary Notice

I have read and understood and agree to, all the terms and conditions contained in the Agreement above.

[Signature]

George J. NeaDitt dba Environmental Design/Build

Date 10/27/99

Robert Carlo, Owner

Date 10/28/98

NOTICE: OWNER HAS THE RIGHT TO REQUIRE A PERFORMANCE AND PAYMENT BOND.

NOTICE: "YOU THE BUYER MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. OR IF THIS IS A CONTRACT FOR THE REPAIR OF DAMAGES RESULTING FROM AN EARTHQUAKE, FLOOD, FIRE, HURRICANE, RIOT, STORM, TIDAL WAVE, OR OTHER SIMILAR CATASTROPHIC OCCURRENCE FOR WHICH A STATE OF EMERGENCY HAS BEEN DECLARED, YOU THE BUYER MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE SEVENTH BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT."

NOTICE: "CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISSION PERTAINING TO STRUCTURAL DEFECTS MUST BE FILED WITHIN 10 YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE LICENSE BOARD, P.O. BOX 2600, SACRAMENTO, CALIFORNIA 95826."

10.
CONTRACTOR'S DELIVERY RECORD

Delivery Method: Personal
Contractor's Signature: [Signature]

Date: 12/10/1998
Date: 12/10/1998

OWNER'S ACKNOWLEDGEMENT OF DELIVERY

Customer's Signature: [Signature]
Customer's Signature: [Signature]

Date: 12/10/98
Date: [Blank]
DISCIPLINARY NOTICE

CUSTOMER: Carrey Robert
2012 A. Delaware Street
Berkeley, CA 94704
(510) 202-2525

PROJECT: Carrey 2012
2012 A. Delaware Street
Berkeley, CA 94704

DISCIPLINARY NOTICE

"DURING THE LAST FOUR (4) YEARS, MY (OUR) CONTRACTORS LICENSE HAS BEEN SUSPENDED, REVOKED, OR A CITATION HAS BEEN ISSUED, AS A RESULT OF A VIOLATION OF THE BUSINESS AND PROFESSIONS CODE, OR A COMPLAINT OR LEGAL ACTION RESULTED IN AN UNFAVORABLE JUDGMENT AGAINST ME OR MY COMPANY, RELATED TO THE BUSINESS AND PROFESSIONS CODE AS FOLLOWS:"

My license has not been suspended, revoked, or issued a citation.

CONTRACTORS RECORD OF DELIVERY

Delivery Method: Personal Delivery
Contractor's Signature: [Signature]
Date: 10/1/1998

OWNER'S ACKNOWLEDGEMENT

Customer's Signature: [Signature]
Date: 10/27/98
*Express Electric Co.*

**1071 San Pablo Avenue**
**Albany, California 94706**

**Commercial and Residential Wiring**
**Electrical Installation and Repairs of All Kinds**
**All Work Guaranteed**

**Robert Cairo**
2012A Delaware Street
Berkeley, CA 94602

**2012A Delaware Street**
Berkeley, CA 94602

<table>
<thead>
<tr>
<th>DATE</th>
<th>ORDER NO.</th>
<th>JOB NO</th>
<th>TERMS</th>
<th>INVOICE NO</th>
<th>STATE LICENSE NO.</th>
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<td></td>
<td></td>
<td>net</td>
<td>20178</td>
<td>294911</td>
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</table>

**Details:**

- Installed (1) plug in upstairs bedroom, picked up power from existing circuit, fished wire down from switch box in bathroom.
- Installed (1) light in upstairs bedroom, notched wall from plug and set ceiling plate for light fixture.
- Removed (1) light fixture.
- Installed (1) new light fixture downstairs provided by owner.
- Installed (1) switch downstairs.
  - Picked up power from plug
- Installed (1) plug in fireplace.
- Installed (1) 3-way dimmer.
- Installed (3) switches.
- Installed (1) plug outside by washing machine.
- Replaced all switches in living room.
- Replaced all switches in bedroom.
- Patched all holes from cut-outs.

**TOTAL DUE NOW** ................................................................. $1561.72

THANK YOU FOR CHOOSING EXPRESS ELECTRIC!

**Delinquent Accounts Subject to a Finance Charge of 1 1/2% Per Month (An Annual Percentage Rate of 18%).**
**MERCHANDISE AND SERVICE SUMMARY**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>REF.##</th>
<th>SKU</th>
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<th>1500000000</th>
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<tbody>
<tr>
<td>TC OXBRONZE WALL ALABASTER</td>
<td>560</td>
<td>59.95</td>
<td>3.00</td>
<td>18.99</td>
<td>1551551551</td>
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<tr>
<td>TOTAL</td>
<td>$1,035.00</td>
<td>$1,035.00</td>
<td>1551551551</td>
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</tr>
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</table>

**TAX PER EACH**
- $345.00
- EXTENSION: $1,390.00

**ORDER TOTAL**
- $1,390.00
- SALES TAX: $35.31
- TOTAL: $1,425.31
- BALANCE DUE: $1,425.31

**NOTES**
- QUOTE is valid for this date: 03/11/2010
- ORDER No. 1042-10110
- NEW CONDITIONS

---

**CUSTOMER AGREEMENT**

This is only a QUOTE for the merchandise and services printed below. This becomes an Agreement upon payment and an endorsement by a Home Depot register validation.

---

**MERCHANDISE & SERVICES**

<table>
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**TAX PER EACH**
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- SALES TAX: $35.31
- TOTAL: $1,425.31
- BALANCE DUE: $1,425.31

**NOTES**
- QUOTE is valid for this date: 03/11/2010
- ORDER No. 1042-10110
- NEW CONDITIONS

---

**CUSTOMER AGREEMENT**

This is only a QUOTE for the merchandise and services printed below. This becomes an Agreement upon payment and an endorsement by a Home Depot register validation.
License # 653186
G.L. McCURDY COMPANY
26572 Sunvalle Court
Hayward, CA 94544
510 782-2732

BID

Robert Cario  2012 Delaware  Berkeley, CA  281-561-3576

Item #1 Kitchen Cabinets Crown Molding

Tear out existing kitchen and install paint grade cabinets and doors. Upper cabinets will be manufactured with custom notch for duct work. $5,000.00

Item #2 Granite Top

Supply 3/4" subtop and 102" of granite. Sink cut out will be polished on edges. $2,100.00

Item #3 Tile Back Splash

Tile designed by owner installed, grouted and sealed. $1,000.00

Item #4 Duct Work

Run duct work from exhaust fan to exterior. $600.00

Item #5 Under Mount Sink and Faucet

Mid grade faucet installed with high grade under mount sink. $1,100.00

Note: Appliances supplied by owner.

TOTAL THIS BID $9,800.00

Donovan McCurdy, G.L. McCurdy Co.
Xerox

Electrical Labor 6 hrs x $60 =

Install of Dome lights 3 hrs x $60

Repair existing Water heater

Remove, W.I.T. and install new 5 hrs.

parts (Water heater)

additional appliance and trash removal

Duct modification

additional tile supplies

Garbage disposal and installation

Original estimate

360.00

50.00

180.00

120.00

300.00

250.00

130.00

418.00

75.00

180.00

2020

780.00

11820

Paid

-6,000

Balance $5,820

2020

2000

2021

$2,000

\[
\frac{1}{1,820}
\]

MCCORDY

5.5 hrs @ $330 =

insulants @ $30 =

565.50

+ 187.50 =

2143.00

2027 Balance

$2143.00
MALLARD PLUMBING, A California Corporation

2001 Peralta St., Suite A
Oakland, CA 94607

Tel: (510) 463-3449
Fax: (510) 465-3199

PROPOSAL

Robert Cario
2012 A Delaware
Berkeley, CA 94709

C) 205-9835
F) 1-281-561-3576

March 15, 2002

Job: Same

FRONT HOUSE: 510-849-9642 (Tom)
TO ACCESS REAR COTTAGE: 415-871-6161 (Hung)

We hereby submit specifications and estimates for:
Pipe 1" gas from front house meter to rear cottage. Pipe gas supply for existing fireplace with new gas insert, upstairs free standing heater.
Leaves 3/4" stub at front of house for future range supply.
Trenching and backfill included.
All wall repair by others.
No flue piping, fixture installation included.
Permit fees included.

(C) ADD) RE-IGNITE PILOT LIGHTS IN FRONT HOUSE

PRICE: Two thousand nine hundred seventy five dollars and 00/100 ——— $2,975.00
TERMS: 100% upon completion

NOTE: Please read this contract carefully. Any work required that is not covered in this written proposal will be subject to additional charges. If there are omissions in the proposal, please contact our office for clarification/negotiation.

NOTE: Payment terms of the contract are specified below and are due within 10 days. Invoices not paid within 30 days will be charged interest at 1 1/2% per month until paid in full.

NOTE: Contracting parties agree to arbitrate or mediate any controversy arising from non-payment for any portion of the work performed under this contract.

NOTE: Subcontractor responsible for Worker’s Compensation Insurance and payment of all applicable State and Federal taxes.

Mallard Plumbing, a California Corporation

Signature: ____________________________
Robson B. Tyrer, President

NOTE: This proposal may be withdrawn by us if not accepted within 30 days.

ACCEPTANCE:

Date of Acceptance: 3/25/02 Signature: ____________________________
**INVOICE**

**MN54411-A**

**BILL TO ADDRESS**
Robert Cario  
2012A Delaware St.  
Berkeley, CA 94709  
510 205-9835  
Fax: 526-8084 W

**SHIP TO ADDRESS**
Robert Cario  
2012A Delaware St.  
Berkeley, CA 94709  
510 883-9010

**ACCT#: CARR15**

**SALES REP:** Jack & Wayne

**SHIP VIA:**

<table>
<thead>
<tr>
<th>PART#</th>
<th>QTY</th>
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<th>DESCRIPTION</th>
<th>PRICE</th>
<th>EXTENSION</th>
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<tbody>
<tr>
<td>HRTusMatteDV</td>
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<td>* Tucson DV, Matte Black/Autumn Brown Granite</td>
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<td>$1,495.00</td>
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<td>RERemoteBasic</td>
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<td>Regency Basic Remote Control</td>
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<td>HRTUblower</td>
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<td>Blower for the Tucson</td>
<td>$229.00</td>
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<td>DV945R-Swivel</td>
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<td>45 Degree Elbow, Black (interior)/swivel 4&quot;x 6&quot; DV</td>
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<td>DV902B</td>
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<td>48 Pipe Length, Black (interior) 4&quot;x 6&quot; DV</td>
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<td>11-14-5/8 Adj. Pipe Length, Black (interior) 4&quot;x 6&quot; DV</td>
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<td>High Wind GS Termination Cap 4&quot;x 6&quot; DV</td>
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<td>DV904</td>
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<td>24 Pipe Length, Galvanized 4&quot;x 6&quot; DV</td>
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<td>DV945</td>
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<td>SVInstallGasVert</td>
<td>1</td>
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<td></td>
<td>Labor to Install Gas Fireplace or Vehicle Termination Gas Stove (Final labor cost to be determined at time of pre-alu)</td>
<td>$435.00</td>
<td>$435.00</td>
</tr>
</tbody>
</table>

**PIPE COST TO BE DETERMINED**  
Delivered In Full - Invoice# MN54411, Amt, Paid: 80.00

**PAYMENT TERMS:**  
CUSTOMER TO PAY INSTALLER: $2,748.82

**Thank you for shopping at TUSMAKERS. We appreciate your business.**

**STOVE PURCHASERS Please Note:** You must give us 48 hours notice prior to picking up your stove or stove pipe.

**SIGNATURE: ______________________________ DATE: ______________**

**BY: ______________________________ (please print)**
**INVOICE**

*MN54411-A*

**BILL TO ADDRESS**

Robert Cario  
2012A Delaware St.  
Berkely, CA 94709  
510 205-9835  
Fax: 526-8084 W

**SHIP TO ADDRESS**

Robert Cario  
2012A Delaware St.  
Berkely, CA 94709  
510 883-9010

**ACCT#: CARR15**

**SALES REP**: Jack & Wayne

**SHIP VIA**: 

<table>
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<tr>
<th>PART#</th>
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<tr>
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<td>-1</td>
<td>Customer Credit for Deposit - Delivered In Full - Invoice#: MN54411. Amt. Paid: $200.00</td>
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<td>Customer Credit for Deposit - [Returned] REF#: MN54411-A</td>
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<tr>
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<td></td>
<td></td>
<td>**** SERIAL NUMBERS *****</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>* Tucson DV, Matte Black - [add stone]: HR-14486</td>
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<td></td>
</tr>
</tbody>
</table>

**PAYMENT TERMS:**

CUSTOMER TO PAY INSTALLER: $2,740.62

**SUBTOTAL**: $2,549.66

**TAX**: $190.96

**SHIPPING**: $0.00

**TOTAL**: $2,740.62

Thank you for shopping at TUBMAKERS. We appreciate your business.

**STOVE PURCHASERS** Please Note: You must give us 48 hours notice prior to picking up your stove or stove pipe.

**SIGNATURE**: ________________________________  **DATE**: ________________

**BY**: _____________________________________  (please print)
INVOICE

INVOICE #: MN54412-A

BILL TO ADDRESS
Robert Cario
2012A Delaware St.
Berkeley, CA 94709
510 205-9835

SHIP TO ADDRESS
Robert Cario
2012A Delaware St.
Berkeley, CA 94709
510 205-9835

ACCT#: CARR15

SALES REP: Jack Lieberum

<table>
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<th>PART#</th>
<th>QTY</th>
<th>SHPD</th>
<th>B.O.</th>
<th>DESCRIPTION</th>
<th>PRICE</th>
<th>EXTENSION</th>
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<tbody>
<tr>
<td>MJRHE32Honeywell</td>
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<td>* RHE32 Fireplace Insert with Deluxe Honeywell controls, B-Vent NO</td>
<td>$1,527.30</td>
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<tr>
<td>JRHE32CastPlaceM</td>
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<td>Cast Flat Face Classic Black for the RHE32 (not enameled)/HECFTK</td>
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<td>JRHE32SurmdClass</td>
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<td>Lrg Cast Iron Surround,Classic Black 26.5&quot; x 42.5&quot;/HECSSLB</td>
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<td>B-Vent 4&quot;x35&quot; Gas Chimney Liner Kit, Flex-Liner</td>
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<td>Ceramic Fibre Firebox Liner/ RHE32CR</td>
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<td></td>
<td>PIPE COST TO BE DETERMINED</td>
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<td></td>
</tr>
</tbody>
</table>

PAYMENT TERMS:
- CUSTOMER TO PAY INSTALLER: $2,520.92

Thank you for shopping at TUBMAKERS. We appreciate your business.

STOVE PURCHASERS Please Note: You must give us 48 hours notice prior to picking up your stove or stove pipe.

SUBTOTAL: CONT...
TAX: SHIPPING: TOTAL:

SIGNATURE: ________________________ DATE: ________________________
BY: ____________________________ (please print)
**INVOICE**

*MN54412-A*

---

**BILL TO ADDRESS**

Robert Cario  
2012A Delaware St.  
Berkley, CA 94709  
510 205-9835

**SHIP TO ADDRESS**

Robert Cario  
2012A Delaware St.  
Berkley, CA 94709  
510 205-9835

---

**ACCT#: CARR15**

---

**PART#** | **QTY** | **SHPD** | **B.O.** | **DESCRIPTION** | **PRICE** | **EXTENSION**
---|---|---|---|---|---|---
SVInstalGasStove | 1 | 1 | | Labor: Install Gas Fireplace Insert; or Horiz DV Stove | $435.00 | $435.00

---

**PAYMENT TERMS:**

CUSTOMER TO PAY INSTALLER: $2,520.92

---

**SUBTOTAL:** $2,346.70  
**TAX:** $174.22

---

**SHIPPING:** $0.00  
**TOTAL:** $2,520.92

---

Thank you for shopping at TUBMAKERS. We appreciate your business.

**NOTE TO PURCHASERS** Please Note: You must give us 48 hours notice prior to picking up your stove or stove pipe.

**SIGNATURE:**  
**DATE:**

**BY:**  
(please print)
INVOICE

*MN56786*

INVOICE#: MN56786

DATE: 07/23/2002

PO#: 

TIME: 11:44 AM

BILL TO ADDRESS

Robert Cario
2012A Delaware St.
Berkeley, CA 94709
510 205-9835

SHIP TO ADDRESS

Robert Cario
2012A Delaware St.
Berkeley, CA 94709
510 205-9835

ACCT#: CARR15

SALES REP: Jack Lieberum

SHIP VIA: 

<table>
<thead>
<tr>
<th>PART#</th>
<th>QTY</th>
<th>SHPD</th>
<th>B.O.</th>
<th>DESCRIPTION</th>
<th>PRICE</th>
<th>EXTENSION</th>
</tr>
</thead>
<tbody>
<tr>
<td>DV902</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>48 Pipe Length, Galvanized 4&quot; x 6&quot; DV</td>
<td>$33.65</td>
<td>$67.30</td>
</tr>
<tr>
<td>DV903B</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>12 Pipe Length, Black (interior) DV Gas Vent</td>
<td>$26.65</td>
<td>$26.65</td>
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<tr>
<td>DV900</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>90 Degree Elbow, Galvanized 4&quot; x 6&quot; DV</td>
<td>$27.86</td>
<td>$55.72</td>
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</table>

PAYMENT TERMS:

CHECK: $162.67

SUBTOTAL: $150.27

TAX: $12.40

SHIPPING: $0.00

TOTAL: $162.67

Thank you for shopping at TUBMAKERS. We appreciate your business.

STOVE PURCHASERS Please Note: You must give us 48 hours notice prior to picking up your stove or stove pipe.

SIGNATURE: ________________________________ DATE: ____________________

BY: ________________________________ (please print)
Reference Manual
Limited Warranty

All factory applied UV cured ceramic aluminum oxide surfaces on Indusparquet® prefinished floors are warranted by BR-111 not to wear through or separate from flooring for 15 years from the date of purchase. Flooring must be used under normal residential traffic conditions, and care and maintenance instructions, provided by Indusparquet®, must be followed for warranty to be valid. Warranty provisions extend to the original purchaser only.

In addition, BR-111 warrants Indusparquet® prefinished hardwood flooring against manufacturing defects caused by improper milling, grading, and coating. Damages caused by improper transportation, storage, and installation are not covered. BR-111 is liable for manufacturer defects that exceed 5% of the original hardwood flooring purchase order, and where applicable, will repair or replace material only, excluding the cost of transportation, storage, and installation.

Indusparquet® unfinished flooring carries the same warranty as above, with exception to surface finish. BR-111 accepts no responsibility for finishes applied to unfinished products.

Warranty Exclusions

The following is not covered under this warranty agreement:

- Indentations, scratches or damage caused by negligence, water, sand, and abuse.
- Natural occurring changes in color.
- Failure to follow manufacturers installation instructions.
- Poor installation workmanship.
- Improper care and maintenance.

The use of floor care products other than those recommended by BR-111 may damage flooring and void warranty. Inquiries regarding this warranty should be directed to the BR-111 distributor where the original purchase was made. If the distributor is unable to satisfy your request, written correspondence should be directed to the customer service department at BR-111.
A 15% restocking fee will be charged on returned or canceled Special Order Merchandise. Custom Orders are not refundable.

**MERCHANDISE AND SERVICE SUMMARY**

**CUSTOMER PICKUP #1**

<table>
<thead>
<tr>
<th>REF</th>
<th>SKU</th>
<th>S.O. MERCHANDISE TO BE PICKED UP:</th>
<th>S/O HOBBOKER FLOORS</th>
<th>REF #601</th>
<th>ESTIMATED ARRIVAL DATE: 04/03/2002</th>
<th>P.O. #42504152</th>
</tr>
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<tbody>
<tr>
<td>S0101</td>
<td>316-866</td>
<td>AFTHI16333/5/16&quot;/AFTHI15333/5/16&quot;X1-3/8&quot;X78&quot; THRESHOLD /AFTHI16333/5/16&quot;X1-3/8&quot;X78&quot; THRESHOLD MATCH BRAZILIAN CHERRY</td>
<td>Y $48.47</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>S0102</td>
<td>316-866</td>
<td>BR1TPNBCH5AF/NOSING/5/16&quot;X3-1/4&quot;X78&quot;/BR1TPNBCH5AF/NOSING/5/16&quot;X3-1/4&quot;X78&quot;</td>
<td>Y $55.15</td>
<td>$496.44</td>
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**INSTALLATION #1**

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<tr>
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<tr>
<td>S0101</td>
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<td>AFTHI16333/5/16&quot;X1-3/8&quot;X78&quot; THRESHOLD</td>
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<td></td>
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<tr>
<td>S0102</td>
<td>316-866</td>
<td>BR1TPNBCH5AF/NOSING/5/16&quot;X3-1/4&quot;X78&quot;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**INSTALLER SPECIAL INSTRUCTIONS:**

All product purchased (refer to DR674) ON SITE BRAZILIAN CHERRY 5/16" X 3-1/8" THRESHOLD INSTALL FOR UPSTAIRS BEDROOM AND CLOSET AND THE STAIRS ONLY AT THIS TIME HOLDINGS BY OTHER CONTRACTOR

---

**Balance Due on Pg. #5**

2/1981.03
**INSTALLATION #1**

**BASIC INSTALLATION LABOR:**

<table>
<thead>
<tr>
<th>SKU</th>
<th>DESCRIPTION</th>
<th>QUANTITY</th>
<th>SQ FT</th>
<th>RATE</th>
<th>VM</th>
<th>TAX</th>
<th>HSH</th>
<th>EACH</th>
<th>EXTENSION</th>
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</thead>
<tbody>
<tr>
<td>740-054</td>
<td>PRE-FINISHED WOOD FLOORINGGlue Down Wood Floor</td>
<td>20' X 15' X 20' X 1/4</td>
<td>0.5</td>
<td>623.00</td>
<td>SF</td>
<td>N</td>
<td>$5.80</td>
<td>$3,613.40</td>
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**OPTIONAL LABOR SELECTED INCLUDES:**

<table>
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<tr>
<th>ITEM</th>
<th>DESCRIPTION</th>
<th>QUANTITY</th>
<th>SQ FT</th>
<th>RATE</th>
<th>VM</th>
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<th>HSH</th>
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<th>EXTENSION</th>
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</thead>
<tbody>
<tr>
<td>02</td>
<td>REMOVAL AND HAUL AWAY OF EXISTING TILE, STONE, WOOD OVER A CONCRETE SUBFLOOR</td>
<td>087</td>
<td>110.00</td>
<td>SF</td>
<td>N</td>
<td>$3.20</td>
<td>$352.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>04</td>
<td>REMOVAL OF EXISTING CARPET, PAD AND TACK STRIP</td>
<td>OK</td>
<td>69.00</td>
<td>SY</td>
<td>N</td>
<td>$4.00</td>
<td>$276.00</td>
<td></td>
<td></td>
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<tr>
<td>17</td>
<td>STEPS AND RISERS (up to 36&quot; Box Step)</td>
<td>OK</td>
<td>12.00</td>
<td>EA</td>
<td>N</td>
<td>$8.00</td>
<td>$1,020.00</td>
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<tr>
<td>21</td>
<td>MOISTURE TEST-72 HOUR MIN. TO ORDER PRODUCT</td>
<td>0.00</td>
<td>EA</td>
<td>N</td>
<td>$125.00</td>
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<td></td>
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<tr>
<td>22</td>
<td>INSTALLATION ON 2ND FLOOR OR HIGHER (ONE TIME CHARGE)</td>
<td>0.00</td>
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<td>N</td>
<td>$200.00</td>
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**CUSTOM LABOR SELECTED INCLUDES:**

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<th>ITEM</th>
<th>DESCRIPTION</th>
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<th>VM</th>
<th>TAX</th>
<th>HSH</th>
<th>EACH</th>
<th>EXTENSION</th>
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<tbody>
<tr>
<td>01</td>
<td>ADDITIONAL FLOOR PREP: 4 HOURS @ $65.00 EA</td>
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<td>EA</td>
<td>N</td>
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<td>$0.00</td>
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<td></td>
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</tr>
<tr>
<td>02</td>
<td>TO STAIN T-MOLDING TO MATCH</td>
<td>4.00</td>
<td>EA</td>
<td>N</td>
<td>$65.00</td>
<td>$260.00</td>
<td></td>
<td></td>
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<tr>
<td>03</td>
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<td>1.00</td>
<td>EA</td>
<td>N</td>
<td>$250.00</td>
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</table>

**INSTALLATION SITE NAME:** CARID, ROBERT

**ADDRESS:** 2012 A DELAWARE ST.

**CITY:** BERKELEY  **STATE:** CA  **ZIP:** 94709

**COUNTY:** ALAMEDA  **SALES TAX RATE:** 8.250  **TAX:** Merchandise - Y  **LABOR:** N

**PHONE:** (510) 883-9010  **ALTERNATE PHONE:** (281) 752-9491

**INSTALLATION CHARGE:** $5,771.40

**CREDIT FOR DEPOSIT/MEASURE:** $0.00

**INSTALL TOTAL DUES:** $5,771.40

---

***CONTINUED ON NEXT PAGE***
HOW BUYING PRE-FINISHED WOOD FLOORING AT THE EXPO DESIGN CENTER WORKS:

**THE PROCESS**

**Step 1:** Select wood flooring.

**Step 2:** Payment for product and services will be collected. Wood flooring will be ordered after Step 5. At this point, a coordinator will be assigned to your job to coordinate and answer any questions you may have.

**Step 3:** A trained professional will verify the scope of work requested.

**Step 4:** After inspection, adjustments to the original estimate may be required. These adjustments may result in either additional monies owed by the customer or a credit due.

**Step 5:** The coordinator will contact the customer to receive final authorization to order the merchandise.

**Step 6:** The coordinator will confirm order with manufacturer and contact customer with expected arrival date.

**Step 7:** Once the wood flooring is received and checked, the Expo associate will schedule delivery and notify installer to set up install.

**Step 8:** Review the Special Notes section of this installation specification.

**Step 9:** Please review our EX Form #EX00105 "Preparing for your Installation".

**BASIC INSTALLATION LABOR INCLUDES:**

**REMEMBER Current LEAD TIMES**

Time to complete in-home inspection __________

Time to order and receive product __________

Time once product is received to complete installation __________

**INSTALLER TRAVEL:** Travel time and delivery within 30 miles of store.

**BASIC FURNITURE MOVING:** Remove and replace standard household furniture. There will be an additional charge to remove large, heavy or bulky items.

**INSTALLATION:** Installation to new hardwood flooring using manufacturer's recommended adhesive or nail down installation. Square or straight lay installation.

**CLEAN UP:** Final clean up and haul away of job related debris.

**FLOOR PREP:** Minor patchwork, scraping and sweeping. 1 hour maximum.

**UNDERCUT:** (Baseboards, walls or door jambs, etc.) if required.

**REMOVAL:** Removal of existing quarter round or baseboard and installation of manufacturer's pre-finished new quarter round/baseboard molding (Labor only).

**Thresholds and reducers (Labor only) up to 12 feet.**

---

Page 3 of 6 No. 1042-7850
WHAT ELSE SHOULD I KNOW ABOUT MY INSTALL BEFORE THE INSTALLER ARRIVES?

- The wood must be at customer's home 3 days prior to installation, so that the product can acclimate to the environment.
- Customer must be present at time of installation.
- Customer must disconnect and move all electronic equipment (stereo, VCR, TV, etc.) the day before installation.
- Customer must empty all china cabinets, entertainment centers, bookcases, closets, etc. Move all breakables such as lamps, vases, mirrors, wall hangings, pictures, antiques, etc. the day before installation.

THINGS WE WILL NOT DO:

- Remove and install existing quarter round moulding.
- Baseboards.
- Remove existing vinyl flooring.
- Install wood in damp or wet applications.
- Haul away animal soiled or flea infested carpet.
- Commit to work on Sundays or holidays.
- Move items such as pianos, pool tables, waterbeds, aquariums, grandfather clocks, etc.
- Disconnect/connect gas appliances.

"PREPARING FOR YOUR INSTALLATION"

When having a wood floor installed, you should be aware of

SPECIAL NOTES:

- the following factors. Please keep in mind that this is a major project and if you are living in your home during the project, you should expect some disruption and inconvenience.

PRE-INSTALLATION REQUIREMENTS:

- The building should be completely closed in, with outside windows, doors and thresholds in place.
- All wet trades (drywall, plaster, tile, natural stone, etc.) should have completed their work. The exception to this would be painting. If you are going to paint, this should be done after your wood floors are completed. Be sure your painter uses drop cloths to cover the floors. If you are not going to paint, you will have touch-ups to do.
- Air conditioning, heating and ventilation systems should be operating.
- The temperature and relative humidity should be at "normal living conditions".
- Furniture, breakables, antiques, wall hangings and appliances should be removed from rooms where wood flooring is to be installed. Closets in these rooms should be emptied. Also, pianos, as well as grandfather clocks should be moved and sometimes stored by professional companies who specialize in things such as this, the day before installation.
- Children and pets will need to be kept out of work areas for the duration of the project.
- Electricity must be provided at time of installation.
SPECIAL SERVICES CUSTOMER AGREEMENT - Continued

MEASUREMENT

REF#03 FROM INSTALLATION #79630-02

03 740-054 1.00 EA DEPOSIT/MEASURE

MEASUREMENT SITE: CUSTOMER NAME: CARIO, ROBERT

ADDRESS: 2012 A DELAWARE ST. CITY: BERKELEY

STATE: CA  ZIP: 94709 COUNTY: ALAMEDA

SALES TAX RATE: 8.250

MEASURE SPECIAL INSTRUCTIONS: ALL PRODUCT PURCHASED REFER TO ORDER AND ON SITE BRAZILIAN CHERRY 5/16" X 3-1/2" TANGS INSTALL FOR UPHOLSTERY BEDROOM AND CLOSET

AND THE STAIRS ONLY AT THIS TIME MOLDINGS BY OTHER CONTRACTOR

TOTAL CHARGES OF ALL: MERCHANDISE & SERVICES

END OF MEASUREMENT

END OF ORDER NO. 1042-7850

TERMS AND CONDITIONS

Authorization. "You" means the customer set forth on this Special Services Customer Agreement and any attached documents (collectively, the "Agreement"). You authorize The Home Depot: 1) to arrange for an Independent contractor, licensed where required by law (the "Installer"), to provide the installation of the materials specified in this Agreement (the "Installation"); 2) to inspect the installation; and 3) to pay the balance due, if any, to the Installer when the installation is complete, from money paid by you to The Home Depot.

Installation Information. You acknowledge that The Home Depot will not install the materials listed in this Agreement, but will arrange for the installation to be performed by the Installer. The Installer will complete the installation to a workmanlike manner and in accordance with all applicable codes and ordinances. However, the Installer is under no obligation to complete the installation if it cannot be completed in accordance with applicable codes and ordinances. You agree to the approval of The Home Depot and the Installer for any installation performed by the Installer.

Access to Work. You agree to grant free access of work areas to the Installer, his agents and employees and any necessary vehicles during normal work hours. In accordance with applicable laws, you agree to make drinking water and toilet facilities available to all agents and employees of the Installer to compensate the Installer for the cost of rented units.

Mechanic's or Materialmen's Liens. The Home Depot, the Installer or any laborer may have a lien against you for failure to pay for materials supplied or services performed and may enforce this claim by filing a lien against your property sires, providing you with notice.

Changes. You agree that any changes, additions or alterations in the Installation may require an additional fee and must be approved by The Home Depot and the Installer in writing. If not approved, you may request a refund of any payments made under this Agreement except for payments for materials and installation already performed.

Warranty. In addition to any manufacturer's warranty on the materials purchased from The Home Depot, the Installer provides a one year warranty on the Installation.
NOTICE TO CALIFORNIA RESIDENTS: If the installation will be performed in the State of California, you should be aware that, although the failure to substantially commence work within twenty (20) days from the beginning installation date specified in this Agreement, without lawful excuse, is a violation of the Contractor's License Law in the State of California, The Home Depot and the installer will not be responsible for any delays caused by the above-described circumstances or any cause beyond their control. Substantial commencement of the installer shall mean either the physical delivery of materials onto the premises or the performance of any labor.

To preserve their right to file a claim or lien against your property, certain elements such as subcontractors or material suppliers are required to provide you with a document entitled "Preliminary Notice." Original or prime contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid. Generally, the maximum time allowed for filing a claim or lien against your property is ninety (90) days after completion of your project.

TO INSURE EXTRA PROTECTION FOR YOURSELF AND YOUR PROPERTY, YOU MAY WISH TO TAKE ONE OR MORE OF THE FOLLOWING STEPS:

1. Require that your contractor supply you with a payment and performance bond (not a license bond), which provides that the bonding company will either complete the project or pay damages up to the amount of the bond. This payment and performance bond and a copy of the construction contract should be filed with the county recorder for further protection.

2. Require that payments be made directly to subcontractors and material suppliers through a joint control agreement. Any joint control agreement should include the addendum approved by the Registrar of Contractors.

3. Issue joint checks for payment, made out to both your contractor and subcontractors or material suppliers involved in the project. This will help to ensure that all persons are paid an actual paid.

After making payment on any completed phase of the project, and before making any further payments, require your contractor to provide you with unconditional lien releases signed by each material supplier, subcontractor and laborer involved in that portion of the work for which payment was made. On projects involving improvements to a single family residence or a duplex owned by individuals, the persons signing these releases lose the right to file a claim against your property. In other types of construction this protection may still be important, but may not be as complete. TO PROTECT YOURSELF UNDER THIS OPTION YOU MUST BE CERTAIN THAT ALL MATERIAL SUPPLIERS, SUBCONTRACTORS AND LABORERS HAVE SIGNED.

THE HOME DEPOT HAS FILED A PAYMENT AND PERFORMANCE BOND WITH THE REGISTRAR OF CONTRACTORS. THE SURETY IS AMERICAN HOME ASSURANCE COMPANY, 70 PINE STREET, NEW YORK, NY 10270.

NOTICE TO CONNECTICUT AND NEW YORK RESIDENTS AND CUSTOMERS IN ALL STATES WHERE THE TRANSACTION IS MADE OUTSIDE OF THE STORE: You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right.

WILL CALL

Will Call items will be held in the store for 7 days only. Bring this Agreement to the Service Desk [EXPO-Will Call Pick Up Door].
**CUSTOMER AGREEMENTS**

A 15% restocking fee will be charged on returned or canceled Special Order Merchandise. Custom Orders are not refundable.

**SOLD TO**
Name: CARIQ
Address: 2012 A DELAWARE ST.
City: BERKELEY
State: CA
Zip: 94709
Company Name: PURCHASE NO RETURNS
Job Description: XXXXXXXX1113

**MERCHANDISE AND SERVICE SUMMARY**

**S&D MDOE TO BE DELIVERED:**

<table>
<thead>
<tr>
<th>REF #</th>
<th>SKU</th>
<th>QTY</th>
<th>UN</th>
<th>DESCRIPTION</th>
<th>ESTIMATED ARRIVAL DATE</th>
<th>P.O. #</th>
<th>TAX</th>
<th>PRICE EACH</th>
<th>EXTNS</th>
<th>MERCHANDISE TOTAL</th>
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<tbody>
<tr>
<td>S0101</td>
<td>316866</td>
<td>19.00</td>
<td>CT</td>
<td>60015541 /5/16 X 3-1/8 BRAZILIAN CHERRY SOLID</td>
<td>02/25/2002</td>
<td>42503556</td>
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<td>1.00</td>
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<td>$48.47</td>
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**DELIVERY INFORMATION:**

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<th>SKU</th>
<th>QTY</th>
<th>UN</th>
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<th>MERCHANDISE TOTAL</th>
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<tbody>
<tr>
<td>VO2</td>
<td>515-663</td>
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<td>EA</td>
<td>DELIVERY</td>
<td>Will be scheduled upon arrival of all S&amp;D Merchandise</td>
<td>$3,034</td>
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</tbody>
</table>

**HOME DEPOT WILL DELIVER MDSE TO:**
Name: CARIQ, ROBERT
Address: 2012 A DELAWARE ST.
City: BERKELEY
State: CA
Zip: 94709
County: ALAMEDA

**PHONE:** (510) 883-9010
**ALTERNATE PHONE:** (281) 752-9491
**SALES TAX RATE:** 8.25%

**DRIVER SPECIAL INSTRUCTIONS:** PLEASE CALL PHONE # (281) 752-9491

**END OF HOME DEPOT**
A 15% restocking fee will be charged on returned or canceled Special Order Merchandise. Custom Orders are not refundable.

**CUSTOMER PICKUP #1**

**MERCHANDISE AND SERVICE SUMMARY**

We reserve the right to limit the quantities of merchandise sold to customers.

**S.O. MERCHANDISE TO BE PICKED UP:**

<table>
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<th>SKU</th>
<th>QTY</th>
<th>UM</th>
<th>DESCRIPTION</th>
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</thead>
<tbody>
<tr>
<td>S0101</td>
<td>316-866</td>
<td>1.00</td>
<td>EA</td>
<td>AFTH16333/5/16&quot;X1-3/8&quot;X78&quot; THRESHOLD /AFTH16333/5/16&quot;X1-3/8&quot;X78&quot; THRESHOLD /MATCH BRAZILIAN CHERRY</td>
</tr>
<tr>
<td>S0102</td>
<td>316-866</td>
<td>9.00</td>
<td>EA</td>
<td>BR1TPNBC5AF /BR1TPNBC5AF/NOSING/5/16&quot;X3-1/4&quot;X78&quot;</td>
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</tbody>
</table>

**SCHEDULED PICKUP DATE:** Will be scheduled upon arrival of all S/O Merchandise

**INSTALLATION #1**

**MERCHANDISE TO BE INSTALLED:**

<table>
<thead>
<tr>
<th>REF #</th>
<th>SKU</th>
<th>QTY</th>
<th>UM</th>
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<td>S0101</td>
<td>316-866</td>
<td>1.00</td>
<td>EA</td>
<td>AFTH16333/5/16&quot;X1-3/8&quot;X78&quot; THRESHOLD</td>
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<td>9.00</td>
<td>EA</td>
<td>BR1TPNBC5AF/NOSING/5/16&quot;X3-1/4&quot;X78&quot;</td>
</tr>
</tbody>
</table>

**INSTALLER SPECIAL INSTRUCTIONS:**

All product purchased/Refer to DOM/74/AND ON SITE/BRAZILIAN CHERRY 5/16" X 3-1/8" THICK INSTALL FOR UPSTAIRS BEDROOM AND CLOSET AND THE STAIRS ONLY AT THIS TIME/MOULDING BY OTHER CONTRACTOR

***CONTINUED ON NEXT PAGE***
**CUSTOMER AGREEMENT**

Phone: (510) 450-3300  
Salesperson: SAH395  
Reviewer:  

SALE  1042 00006 65893  04/21/02  
SALE  32 295  12:27 PM  

**Bert**  
Work Phone: (510) 205-9835  
Company Name:  
Job Description: KICHCNAD APPLIANCES DELIVERY  
County: ALAMEDA  

**MERCHANDISE AND SERVICE SUMMARY**

We reserve the right to limit the quantities of merchandise sold to customers.

<table>
<thead>
<tr>
<th>SJO WHIRLPOOL REF#501</th>
<th>ESTIMATED ARRIVAL DATE: 05/01/2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>DESCRIPTION</td>
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</tr>
<tr>
<td>IP407HSS /KDRP407HSS: RANGES COLOR = STAINLESS ST</td>
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<tr>
<td>RP407HSS: RANGES COLOR = STAINLESS STEEL 30&quot; STAINLESS STEEL</td>
<td></td>
</tr>
<tr>
<td>Fessional Dual Fuel Range</td>
<td></td>
</tr>
<tr>
<td>CU205HSS /KCU205HSS: RANGE HOOD COLOR = STAINLESS WALL CANOPY RANGE HOOD</td>
<td>Y</td>
</tr>
<tr>
<td>CU205HSS: RANGE HOOD COLOR = STAINLESS STEEL 30&quot; WALL CANOPY RANGE HOOD</td>
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</tr>
<tr>
<td>KSCS25FKSS /KSCS25FKSS: REFRIGERATORS COLOR = STAINLESS STEEL SIDE BY SIDE REFRIGERATOR</td>
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</table>

**VENDOR: SPECIAL INSTRUCTIONS:** KICHCNAD PRORANGE, 30" STAINLESS STEEL, RANGE HOOD, S.S. N DUCTLESS CONVERSION KIT, SXS REFRIGERATOR, S.S.

***CONTINUED ON NEXT PAGE***

---

**SPECIAL ORDERS ARE SUBJECT TO A 15% RESETTING CHARGE**

---
CUSTOMER AGREEMENT

Phone: (510) 450-3300
Salesperson: CJJ27
Reviewer:

Salesperson printed below. This becomes an Agreement upon payment and validation.

<table>
<thead>
<tr>
<th>IBERT</th>
<th>(510) 205-9335</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Phone</td>
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<tr>
<td>WaI Phone</td>
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<tr>
<td>Company Name</td>
<td></td>
</tr>
<tr>
<td>Job Description</td>
<td>HERA LIGHT</td>
</tr>
<tr>
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<td>ALAMEDA</td>
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</table>

RECALL AMOUNT: 013903
RECALL AMOUNT: 199.87
RECALL AMOUNT: 16.49
RECALL AMOUNT: 216.36
RECALL AMOUNT: 216.36

A 15% restocking fee will be charged on returned or canceled Special Order Merchandise. Custom Orders are not refundable.

†QUOTE is valid for this date: 04/22/2002

MERCHANDISE AND SERVICE SUMMARY

Ref # W02  SKU # 515-664  Customer Pickup: Will Call
S/I/O HERA LIGHTING  Ref # 591  Estimated Arrival Date: 05/02/2002

<table>
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<tr>
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TOTAL CHARGES OF ALL MERCHANDISE & SERVICES

END OF ORDER No. 1042-13903

TERMS AND CONDITIONS

Will Call items will be held in the store for 7 days only. Bring this Agreement to the Service Desk (EXPO Will Call Pick Up Door).

2-8-8

Thank you for shopping at Expo Design Center. Visit our website at www.EXPO.com

END OF CUSTOMER PICKUP - Ref # W02

Order Total: $199.87
Sales Tax: $16.49
Total: $216.36
Balance Due: $216.36
## MERCHANDISE AND SERVICE SUMMARY

We reserve the right to limit the quantities of merchandise sold to customers.

**REF #026 SKU #515-664 Customer Pickup I Will Call**

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<th>DESCRIPTION</th>
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</table>

**SCHEDULED PICKUP DATE:** Will be scheduled upon arrival of all S/No Merchandise

**MERCHANDISE TOTAL:** $916.04

---

CUSTOMER AGREEMENT

Phone: (510) 450-3300
Salesperson: WRH53
Reviewer:  

and services printed below. This becomes an Agreement upon payment for validation.

**IBERT**

(510) 205-9635

Company Name  

Job Description  

COUNT ORDER NO RETURNS

County: ALAMEDA

---

*QUOTE is valid for this date: 04/23/2002*
The house is a wood frame structure with a gabled roof. The original building is very old and appears to have been originally a barn. It has been converted to a single family dwelling.

It is recommended that the documents of the Homeowner’ s Association be carefully reviewed to determine the boundaries of the maintenance responsibilities of the Association and the individual owner.

Major systems will be reviewed in this report. Items of maintenance or suggested updating will be mentioned. In many instances the absence of these items or the need for repair is not a negative reflection on the original construction but indicative of the cycle of wear and repair of all building components. Standard building practice has changed over the years. Items like handrails and guardrails that conformed when constructed are not usually required to be upgraded.

This is not a structural pest control report and problems of wood rot and wood destroying pest damage will not be addressed. A regular termite report by a licensed structural pest control operator is recommended for this purpose.

In this building some of the items needing attention are the roof, the general site drainage, electrical and plumbing repairs and the pellet stove. A source of heat should be installed. Ventilation of the attic and increased earthquake preparedness have been mentioned. Please see the text for individual suggestions.

This report is for the exclusive use of the above named client only. Any others desiring information on this property should obtain an inspection and report from the contractor of their choice.

This report is not a substitute for standard disclosure.

The adequacy and conditions of soils, footings, foundations and retaining walls can only be determined after a detailed analysis by a licensed engineer. Any opinion on the geological stability of the site should be obtained from a geotechnical expert. This kind of analysis is beyond the scope of this inspection and report.
Whether building permits were properly applied for and completed was not determined at the time of the inspection. For more information on this it is strongly recommended to check the permit history of the property with the local building department.

The detached shed was not inspected and is not included in this report.

The terms right and left are used in this report as if one were facing the house from the street.

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HEAT, PELLET STOVE ...................................................... 7
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BATHROOM ....................................................................... 8
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ATTIC ............................................................................... 9
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ROOF. The roof was observed from the ground as walking on it can cause damage.

The roof is surfaced with a single layer of corrugated sheet metal panels. This is an economy roof surface more appropriate for agricultural use on a barn or shed. It is likely to be noisy during rainstorms and can experience significant condensation on the underside of the panels that may appear as leakage. A growth of mold was noted at the rafter/sheathing joint on the right side of the attic from leakage or condensation.

The sheet metal panels have been face-nailed which causes a vulnerability to leakage as the panels expand and contract due to thermal variations. There is water staining on the ceiling of the upstairs closet indicating leakage.

There is no solid sheathing or felt paper barrier. This roof should be considered substandard. A licensed roofing contractor should be contacted to offer a proposal for replacement. Please see the enclosed article on metal roofing.

The roof is without gutters. A standard gutter system is recommended for positive control of roof runoff. The downspouts should be extended away from the foundation in order to prevent water from seeping under the foundation and possibly causing settlement or erosion. The best solution is to install rigid subsurface plastic drainlines that would convey the downspout water away from the site to the storm drain at the street or another suitable location.

Statements about the roof are based on the visual appearance of the roof surface and do not constitute any guarantees against leakage.

EXTERIOR AND SITE. The site is very close to level. The driveway at the front slopes downward toward the building at 2012A.

The exterior is surfaced with wood shingles that show normal wear and are in serviceable condition.

The siding and wood pillars near the front entry are in contact with the concrete walking surface over which storm runoff water flows. This is an undesirable condition that is conducive to damage to the wood touching the concrete. The wood should be elevated above the concrete to prevent possible damage. It is recommended to have this area and the rest of the house examined by a structural pest control contractor to determine if there is damage from wood destroying pests or organisms.
The soil at the left side and around the left front corner slopes toward the house and should be regraded to slope away to prevent water from collecting next to the foundation. A short wood retainer has been installed to hold the soil away from the base of the siding. Care should be taken to maintain a separation between the soil and the wood. If water is noted to pond next to the foundation improved site drainage will be needed.

The upstairs rear porch has structural support members that are inadequately supported. Additional joist hangers should be installed where necessary by a licensed contractor.

The rear spiral stairs are steep and narrow and should be considered a safety hazard.

The guardrails on the rear porch and spiral stairs have openings larger than the four inches currently specified in new construction for safety. In new construction guardrails are required to have no openings larger than four inches in diameter. This is mostly for the safety of small children. Guardrails that conformed to regulations when constructed are not required to be updated but can be changed for improved safety.

Minor erosion was noted beneath the right side of the right rear concrete surface. Soil should be packed in the void at the right side of the concrete.

The rear fence is worn.

It appears that the parking area at the front slopes mildly to the rear which will cause water to pond around 2012A Delaware during rainstorms. The yard at the right side of the house likely becomes oversaturated and soggy as water is deposited in this area.

The current owners should be asked about this condition as the extent of the problem could not be visually determined in dry weather. A trough or several area drains appear necessary at the front of the house to intercept and remove storm runoff water from the driveway before it saturates the soil around the house. A licensed specialist in site drainage should be contacted for an evaluation.

ELECTRICAL. The meter and main service panel are located at the left front of the front house. The capacity of the main panel is 100 amps, 110-220 volts which is adequate.

The main electrical service to the front house is overhead. The service between the front and rear buildings is underground.

The main conductors are not visible at the main panel at the front house.
The main conductors to the rear house are aluminum. The aluminum wires are without the normal anti-corrosive paste used to prevent oxidation at the connections. No corrosion was noted. Anti-corrosive paste is standard trade practice on aluminum wiring and can be installed.

Ground was not visually confirmed at the front or rear house. A modern ground stake is recommended at the rear building for improved electrical safety.

The main panel in the closet beneath the stairs in the rear house contains the following circuit breakers:

- one double 50 amp 240 volt
- one double 30 amp 240 volt
- three double 20 amp 240 volt
- one 20 amp 120 volt
- two 15 amp 120 volt

Because this is the main panel for the rear house it should have a main disconnect so that the power to the rear house can be turned off with a single switch at the building.

There is a subpanel also in the same closet with the following circuit breakers:

- two double 40 amp 240 volt
- four 20 amp 120 volt

Only modern romex wiring was visually noted. Typically buildings of this age have a mix of original knob and tube wiring and newer romex or armored cable. There may some remaining knob and tube wiring in the building. Knob and tube wiring is an older type of wiring in which the wires are secured with porcelain knobs instead of staples. Porcelain tubes are used to insulate the wire where it passes through wood framing. It is no longer used.

The light fixture in the closet above the electrical panels is too close to the wall surface and loosely mounted. A fixture approved for safe use in a closet is recommended.

The attic light fixture is unsafely wired with exposed and dangling romex cable. It should be corrected.

The bathroom outlet is GFCI protected which is a good safety feature. GFCI protected outlets are also suggested for the kitchen for safety. GFCI is a new safer type of outlet that was not required when this house was built and is now required in kitchen, bathroom, exterior and garage outlets in new construction. Please see the enclosed article on GFCIs.
The three 20 amp 240 volt circuits in the closet panel were installed to control electric heaters. There are no electric heaters in the building and no electrical boxes visible that contain the wiring for the electric heaters. Electrical wiring terminals are not allowed to be covered inside wall surfaces. A licensed electrician with a probe device should be contacted to find and properly terminate the wiring that was installed for the electric heaters.

It is recommended to have a licensed electrician examine the house wiring and make the above named electrical repairs and any other modifications that will make the electrical system more efficient and safer.

PLUMBING. The main water supply pipe is 3/4" copper pipe and enters at the left side of the house. There is a main water shutoff valve also at the left side.

The static water pressure was measured at about 45 pounds(psi) which is toward the low end of the normal range.

The visible water supply pipes are copper.

The visible drain and waste plumbing consists of ABS plastic pipe.

The ABS on the outside of the house should be painted to prevent degradation of the pipe by the ultra-violet ray's of the sun.

Plumbing vents at the left side and rear are loose and should be secured to the exterior walls.

Some defective batches of ABS plastic drain and waste pipe were manufactured in the 1980's. The resins in this pipe are inferior which has caused the pipe to break unpredictably. No broken, leaky or patched ABS pipe was noted in this house.

It is not possible to visually evaluate the condition of underground pipes. The current owners or their disclosure statement should contain information on whether the main sewer pipe has needed repair or clearing in recent years.

A backwater overflow preventer is suggested in the main sewer pipe to prevent a possible backing up of the main sewer line into the house and is a good precautionary device.
The WATER HEATER is electric and is located beneath the kitchen counter and is a "low boy" model. The control panels on the water heater had been removed which exposes live wiring. The control panel covers should be reinstalled.

The water heater is equipped with a pressure-temperature relief valve. The pressure-temperature relief valve was not tested at the time of the inspection as they often leak and require replacement after being tested. Although inexpensive, the pressure-temperature relief valve is an important safety device that should be tested and replaced if necessary by a licensed plumber.

The water heater is not strapped.

GAS. There is no gas service to the house.

HEAT. Heat is supplied by a pellet stove located in the living room. The pellet stove has been installed in the metal and masonry fireplace and vented through the fireplace flue. The pellet stove was not tested at the time of the inspection.

The specifications for the pellet stove strongly recommend a separate flue pipe when the stove is installed in an existing fireplace. The specifications indicate that a separate flue pipe can be installed within the existing fireplace flue pipe, but should have its own termination which is not present in this installation. It could also not be visually determined if there is a separate flue pipe within the fireplace flue for the pellet stove. If the existing fireplace flue is used the connection between the two pipes must be air-tight whereas with this installation the connection appears to be sealed with fiberglass. Many stoves like this have been improperly installed which can be a fire hazard. The stove installation should be carefully checked and the flue cleaned if necessary by a licensed professional familiar with this product for fire safety.

Due to the single source of heat it is predicted that the heat on the upper level will be sparse and uneven until the heat from the pellet stove reaches the upstairs. Auxiliary electric baseboard heaters or another form of heat are recommended.

KITCHEN. The kitchen has a stainless steel sink and plastic laminate countertop. The disposer functions. The dishwasher has an unconventional air-gap device which is required to prevent possible back-siphoning of dirty water into the dishwasher.

The range is electric and works at all points. There is a fan that recirculates the air in the kitchen and is not vented to the exterior. The kitchen floor is ceramic tile.

There is no laundry facility in the structure.
BATHROOM. The bathroom has a ceramic tile tub/shower. The toilet is loose and runs. It should be reset and adjusted. Ventilation is provided by a window in the rear door and the floor is ceramic tile.

INTERIOR. The front door is a two-piece wood panel door with an entry lock and a deadbolt. The deadbolt is loosely mounted and should be secured.

The front door swings over a step down. This is considered to be a trip hazard and a landing at the interior floor level is recommended for improved safety.

The front door opens outward. Doors that open outward and have exposed hinges can be removed by pulling the hinge pins the door can be removed and access to the house gained. Non-removable pin hinges can be installed for improved security.

The rear door to the bathroom is a wood and glass panel door with an entry lock and a deadbolt. The glass in this door is safety glass. The doorsill for the rear bathroom door is water damaged and in need of repair. When repaired it should be sealed in place and sloped to the exterior to prevent future damage.

The interior stairs are winders with triangular treads or steps. While this style of stair is common in older homes, in new construction the narrow end of the tread must be at least six inches wide for safety.

A complete graspable handrail is recommended for the main stairs for safety. Please see the enclosed illustration of graspable handrails.

There is a gap in the guardrail for the upper level where the guardrail meets the front wall that is a safety hazard for small children.

The windows are wood and aluminum sash, both sliders and casement style. One window in the right main room bay is stuck and could not be opened.

The right main room bay has reportedly been installed in a substandard manner. Details of the substandard installation should be obtained from the current owner.

The walls and ceilings are gypsum board or sheet rock. Some of the wall and ceiling surfaces have been installed over earlier surfaces. Interior walls often show some minor cracking associated with minor movement. The cracks should be patched as preparation for painting. Some of this kind of cracking should be expected in the future and is normal.
Water staining indicating roof leakage was noted on the ceiling of the bedroom closet.

The walls were non-destructively probed at several locations on each level for insulation. Fiberglass insulation was found at two locations on the main level. No insulation was detected on the upper level.

The floors are surfaced with wall to wall carpeting. The entry hall has ceramic tile flooring.

Some potentially hazardous materials have been used in house construction in the past. This includes asbestos in vinyl and linoleum flooring, lead in paint and copper pipe joints, asbestos in heat supply systems, and formaldehyde in foam insulation and panelling. These substances are undetectable without dismantling parts of the house and laboratory testing. A determination of the presence of such materials is beyond the scope of this report.

Radon has been determined to be a national problem in structures but has not yet been identified as a problem in this area. To test for radon an activated-charcoal radon detector can be used for three to seven days for an initial check for a possible problem.

Smoke alarms outside each bedroom and on each level, carbon monoxide detectors and operable fire extinguishers with metal tops are recommended and should be checked monthly. Please see the enclosed article on the placement and maintenance of smoke detectors.

ATTIC. The attic access is by a fold-down ladder in the bedroom.

The attic is insulated with fiberglass batt insulation that is about 6" thick with a rating of about R19. This will keep the house warmer in the winter and cooler in the summer. Any wiring under the insulation was not able to be inspected.

Additional attic ventilation may be desirable to permit hot air that collects in the attic to escape. Hot air that collects during the summer in the attic can radiate into the living space at night and keep the house from cooling off. More ventilation openings are suggested if this is found to be a problem.

The roof framing consists of 2x4s spaced roughly 48 inches apart. This framing is substandard. If another roof surface is installed the roof framing should be strengthened.
FOUNDATION. The house has a concrete slab foundation. No cracking or signs of significant settlement were noted. Floor coverings and closed walls prevented an examination of the slab.

Due to closed walls foundation bolting could not be visually checked. If it is desired to increase the earthquake preparedness of the building a licensed engineer specializing in earthquake retrofitting should be contacted to review the plans and evaluate the structure. The walls will have to be opened to determine if the building is anchored to the foundation. Please see the enclosed article on earthquake readiness and seismic upgrading.
AGREEMENT TO INSPECT

PROPERTY ADDRESS: 2012 Bancroft, Berkeley CA

DATE: Feb 26, 1997

This inspection and report describe the opinion of the contractor on the present physical condition of only the items noted. The report is general in nature and is not meant to be technically exhaustive. It is not to be considered a guarantee or warranty, nor is it an opinion on the advisability of purchase. For an additional fee of five times the general inspection fee a warranty will be offered. The written portion of this report is a partial summary of the facts presented at the time of the inspection. The scope of the inspection, items covered, procedures and exceptions shall conform to the Standards of Practice of the American Society of Home Inspectors (A.S.H.I.). Statements of condition pertain exclusively to the VISUAL appearance which may not be the actual condition. This inspection is expressly limited to areas which are exposed to view and are accessible. Any areas not observable due to obstructions or inaccessibility caused by walls, floors, ceilings, furnishings, stored items, soil, plants or any other obstruction are not included in this inspection. The geological stability of the site cannot be accurately determined by a visual inspection. Whether retaining walls are actually designed and built in accordance with sound engineering practice with due consideration of actual soil conditions cannot be determined visually and is beyond the scope of this inspection and report.

The inspection does not include items normally covered in a pest control report such as termites, dry rot, etc. The inspection is not a code or code enforcement inspection. The undersigned client agrees that it is his/her sole responsibility to inspect the public record prior to purchase, as to conditions that may exist that are outside the scope of this inspection such as zoning restrictions, easement, flood zones, special study zones (seismic), building permits, etc.

This report specifically excludes sprinkler, air-conditioning, hot tub, spa, wells, fire-sprinkler systems, solar, central vacuuming, low-voltage lighting and security systems. Dishwashers are reviewed for wear and are not functionally tested. Every electrical outlet, switch, water faucet and window is not tested as part of this inspection. It is recommended that the buyer carefully read the seller’s disclosure which describes the condition of the property in accordance with Section 1102 of the Civil Code of the State of California and which is required to list all conditions known to the seller.

No reliance on this report shall be made by anyone other than the person whose name appears above. No liability is assumed for any damages exceeding $1000. which might result from it or for any conditions which this report might not disclose. Should any dispute arise out of this inspection or report, it is hereby agreed that mediation will be the first remedy. If mediation is not successful, arbitration will be utilized with both parties bearing their respective costs. It is hereby agreed that if arbitration is utilized, there will be three neutral arbitrators, two of which are knowledgeable in the professional home inspection industry and at least one arbitrator who must be a member of the American Society of Home Inspectors. Any claim arising out of the inspection must be begun within one year from the date of inspection.

I, the undersigned, have read and understood this agreement, including those provisions relating to limitations of liability, and release and hold harmless Alan Block, General Contractor, from any liability arising out of or in any way connected with the inspection and report, except as expressly provided for in this document.

CLIENT SIGNATURE: [Signature]
DATE: 2/26/97

CONTRACTOR SIGNATURE: [Signature]
DATE: 2/26/97
WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT
This is an inspection report only - not a Notice of Completion
ADDRESS OF PROPERTY INSPECTED

012A  DELAWARE STREET  BERKELEY  94709  (03)  01/23/97 8

AN-OTHER TERMITE CO., INC.
1400 Pacheco Avenue
Richmond CA, 94804
Phone 510-233-5200  FAX 510-233-5189

Ordered By:  KATHRYN HILL THORNBALL PROPERTIES
1656 SHATTUCK AVENUE BERKELEY CA 94703

Property Owner: C/O AGENT

ARTY IN INTEREST

CONSTRUCTION REPORT  LEASED REPORT  SUPPLEMENTARY REPORT  INSPECTION REPORT  ORIGINAL SERIES

GENERAL DESCRIPTION:  TWO STORY FRAME DWELLING

INPECTION TAG PLACED: IN THE METER BOX

OTHER INSPECTION TAGS

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DIAGRAM AND EXPLANATION OF FINDINGS (This is limited to areas or spaces shown on diagram)

Diagram not to scale.

Inspected by: ROBERT SUNKLE License No. BR 11542 Signature

You are entitled to obtain copies of all reports and completion notices on any property sold within the period two years upon payment of $20 fee to: The Structural Pest Control Board, 1422 Howe Ave., Ste 3, Sacramento, California 95825-3280.
A. WHAT IS A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT? WHO DO 
THIS DOCUMENT, IT EXPLAINS THE SCOPE AND LIMITATIONS OF A STRUCTURAL 
PEST CONTROL INSPECTION AND A WOOD DESTROYING PEST & ORGANISM INSPECTION 
REPORT.

A Wood Destroying Pest & Organism Inspection Report contains findings 
as to the presence or absence of evidence of wood destroying pests and 
organisms in visible and accessible areas and contains recommendations 
for correcting any infestations or infections found. The contents of 
Wood Destroying Pest & Organism Inspection Reports are governed by the 
Structural Pest Control Act and regulations.

Some structures do not comply with building code requirements or may 
have structural, plumbing, electrical, mechanical, heating, air condi-
tioning or other defects that do not pertain to wood destroying 
organisms. A Wood Destroying Pest & Organism Inspection Report does not 
contain information on such defects, if any, as they are not within the 
scope of the licenses of either this company, or it's employees.

The Structural Pest Control Act requires inspection of only those 
areas which are visible and accessible at the time of inspection. Some 
areas of the structure are not accessible to inspection, such as the 
interior of hollow walls, spaces between floors, areas concealed by 
carpeting, appliances, furniture or cabinets. Infestations or infections 
may be active in these areas without visible and accessible evidence. If 
you desire information about areas that were not inspected, a further 
inspection may be performed at additional cost. Carpets, furniture or 
appliances are not moved and windows are not opened during a routine 
inspection.

The exterior surface of the roof will not be inspected. If you want 
the water tightness of the roof determined, you should contact a roofing 
contractor who is listed by the Contractor's State License Board.

B. This company does not certify or guarantee against any leakage, such 
as (but not limited to) plumbing, appliances, walls, doors, windows, 
any type of seepage, roof or deck coverings. 
This company renders NO GUARANTEE, whatsoever, against any infection, 
infection or any other adverse condition which may exist in such areas 
or may become visible evident in such area after this date. Upon 
request, further inspection of these areas would be performed at an 
additional charge.

C. In the event damage or infestation described herein is later found 
to extend further than anticipated, our bid DOES INCLUDE such repairs 
OWNER SHOULD BE AWARE OF THIS CLOSED BID WHEN CONTRACTING WITH OTHERS OR 
UNDERTAKING THE WORK HIM/HERSELF.

D. If requested by the person ordering this report, a reinspection of 
the structure will be performed. Such requests must be within four (4) 
months of the date of this inspection. Every reinspection fee shall be 
the same amount as this original fee.

E. Wall paper, stain, or interior painting are excluded from our 
contract. New wood exposed to the weather will be prime painted, unless 
specifically mentioned elsewhere in this report.

F. All pesticides and fungicides must be applied by a state certified 
 applicator and in accordance with the manufacturer's label requirements.
AN-OTHER TERMITE CO., INC.

THIRD PAGE OF 8 OF STANDARD INSPECTION REPORT OF THE PROPERTY LOCATED AT:

2012A DELAWARE STREET BERKELEY 94709

Address of Property Inspected City Zip

3928974T 01/29/97 2336

Stamp No. Date of Inspection Co. Report No. Escrow No.

G. ASBESTOS STATEMENT: Reference AS 2040, SB 2572 and General Industry Safety Order 5208. This report does not include repairs that require contact with materials containing asbestos. AN-OTHER TERMITE CO., INC. or its employees are not state licensed in asbestos analysis and cannot make any representation about possible presence, or non-presence of asbestos containing materials.

H. The charge for service that this company subcontracts to another registered company may include the company's charges for arranging and administering such services that are in addition to the direct costs associated with paying the subcontractor. You may accept AN-OTHER TERMITE CO., INC.'s bid or you may contract directly with a different registered company licensed to perform the work. If you choose to contract directly with a different company, AN-OTHER TERMITE CO., INC. will not be responsible for any act or omission in the performance of work that you directly contract with a different company to perform.

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

SECTION I CONTAINS ITEMS WHERE THERE IS EVIDENCE OF ACTIVE INFESTATION, INFECTION OR CONDITIONS THAT HAVE RESULTED IN OR FROM INFESTATION OR INFECTION.

SECTION II ITEMS ARE CONDITIONS DEEMED LIKELY TO LEAD TO INFESTATION OR INFECTION BUT WHERE NO VISIBLE EVIDENCE OF SUCH WAS FOUND.

FURTHER INSPECTION ITEMS ARE DEFINED AS RECOMMENDATIONS TO INSPECT AREA(s) WHICH DURING THE ORIGINAL INSPECTION DID NOT ALLOW THE INSPECTOR ACCESS TO COMPLETE HIS INSPECTION AND CANNOT BE DEFINED AS SECTION I OR II.

BELOW EACH ITEM NUMBER OF THIS REPORT IS ONE OF THE FOLLOWING CODES:

S1 = Section I Item
S2 = Section II Item
FI = Further Inspection Item
Blank = Informational Item or an item requiring action by owner or party of interest.

STALL SHOWER:

1. The tile splash walls appear to be serviceable as there was no evidence of any existing leakage observed at this time. This of course, is a statement of findings and not a guarantee against future leakage.

RECOMMENDATION:

Party of interest be aware that moisture areas are conducive to future problems and he/she should have these areas periodically checked by a licensed professional.

2. The tub splash tiles are in need of grouting and/or caulking.

RECOMMENDATION:

Party of interest is advised to seal and maintain all water areas as part of normal property maintenance and achieve periodic inspections by licensed professionals.
3. FOUNDATIONS:

3A. The foundation height is marginal with or below the exterior soil at the
approximate area shown on the diagram.

RECOMMENDATION:
Furty of interest is advised to lower the soil during gardening as part
of normal property maintenance.

3B. The foundation displays some cracks.

RECOMMENDATION:
This is not an uncommon condition for homes of this age in this area
and is mentioned for information only. Any further questions regarding
same should be referred to an engineer. Owner is advised to achieve
periodic inspections by licensed professionals.

5. ABUTMENTS:

5A. We observed fungus and wood boring beetle damage to the siding in the
approximate area shown on the diagram.

RECOMMENDATION:
Remove and replace with new siding, using present day milling and apply
prime paint to blend.

5B. We observed evidence of wood boring beetles in the siding.

RECOMMENDATION:
This is mentioned for owner's information only. Since the infestation is
obviously old and appears inactive at this time, no chemical application
is necessary or required. Certainly, this is a statement of findings and
not a guarantee against future infestation.

5C. We observed earth contact to the fence which is attached to the structure
in the approximate area shown on the diagram.

RECOMMENDATION:
Isolate fence from the structure with a metal termite shield.

1. ATTIC SPACES:

1A. We observed fungal damage to the roof members in the approximate area
shown on the diagram.

RECOMMENDATION:
Cut out the damaged members and replace with new wood as required to
correct this deficiency. These repairs may very well further damage the
roof covering. Any such repairs are EXCLUDED from our cost quotation. Owner
is advised to consult with a licensed roofing contractor for repair or
replacement of the roof covering.

1B. There was evidence of past or present roof leakage observed.

RECOMMENDATION:
WE URGE THE CONSUMER TO REGULARLY CONSULT WITH A ROOFING CONTRACTOR WHO
IS LICENSED BY THE CONTRACTORS STATE LICENSE BOARD FOR ADVICE AND/OR
CORRECTION REGARDING ROOF COVERINGS, GUTTERS AND DOWNSPOUTS.
NOTE: We recommend this be done every three (3) years.
7 ATTIC SPACES:

7C. THIS DISCLOSURE ITEM IS REQUIRED BY THE STRUCTURAL PEST CONTROL ACT: THE WATER TIGHTNESS OF THE ROOF AND THE ROOF COVERING ITSELF WAS NOT INSPECTED AND IS EXCLUDED FROM THIS REPORT WITH ABSOLUTELY NO GUARANTEE.

RECOMMENDATION:
WE URGED THE CONSUMER TO REGULARLY CONSULT WITH A ROOFING CONTRACTOR WHO IS LICENSED BY THE CONTRACTORS STATE LICENSE BOARD FOR ADVICE AND/OR CORRECTION REGARDING ROOF COVERINGS, GUTTERS AND DOWNSPOUTS.
NOTE: We recommend this be done every three (3) years.

9. DECKS/PATIOS:

9A. We observed fungus damage to the base of the support posts at the approximate area shown on diagram.

RECOMMENDATION:
Repair as required.

9B. We observed fungus damage to the deck framing shown on the diagram.

RECOMMENDATION:
Replace the damaged members as required to eliminate this deficiency.

10. OTHER/INTERIOR:

10A. The kitchen counter displays leakage.

RECOMMENDATION:
Party of interest is advised to seal and maintain all water areas as part of normal property maintenance and achieve periodic inspections by licensed professionals.

10B. The commode is loose.

RECOMMENDATION:
Party of interest consult with a licensed plumbing contractor for advice and/or correction.

10C. There are settlement cracks in the interior plaster. Party of interest should be aware this condition is common in this area and he/she will periodically need to seal them as part of normal property maintenance.

RECOMMENDATION:
Owner is advised to achieve periodic inspections by licensed professionals.

10D. The interior plaster displays deterioration. Probing through the plaster revealed no evidence of any damage at this time. Owner should refinish a deteriorated plaster as part of normal property maintenance.

RECOMMENDATION:
Owner is advised to achieve periodic inspections by licensed professionals.

10E. There is evidence of leakage at the door shown on the diagram.

RECOMMENDATION:
Party of interest is advised to have this door weatherstripped as part of normal property maintenance and achieve periodic inspections by licensed professionals.
6. OTHER/INTERIOR:

6F. Concrete slab floor and closed walls prevent inspection of framing members. A visual inspection of the accessible surface areas revealed no evidence of infection or infestation, except as mentioned herein.

RECOMMENDATION:
Owner is advised to achieve periodic inspections by licensed professionals.

6G. Items in this report are designed to eliminate damage as a result of wood destroying pest conditions. Should building authorities require additional work to be performed, we reserve the right to submit an additional contract.

6H. Local building authorities require smoke detectors be installed. This is not included in our cost of work and is owner's responsibility. Such smoke detectors must be installed prior to start of work described herein.

6I. Interior wall surfaces prevented inspection of framing members. A visual inspection of accessible surface areas revealed no evidence of any problem to justify dismantling for further inspection, except as mentioned.

RECOMMENDATION:
Owner is advised to achieve periodic inspections by licensed professionals.

7. OTHER/EXTERIOR:

7A. We observed fungus damage to the door jambs where shown on the diagram.

RECOMMENDATION:
Cut off the damaged portion and fill the void with cement mortar. Form the mortar to the contour of the wood.

7B. We observed fungus damage to the door sill and threshold where shown on the diagram.

RECOMMENDATION:
Cut out the damaged members and/or reinforce with new wood as required to correct this structural deficiency. Chemically treat the area with a wood preservative. Any required removal of wall covering will be refinished to blend ready for owner to paint.

7C. We observed fungus damage to the door trim where shown on the diagram.

RECOMMENDATION:
Repair as required to correct this condition.

7D. Some of the windows display deterioration. Length of serviceability depends on owner's maintenance.

RECOMMENDATION:
Owner is advised to achieve periodic inspections by licensed professional.

7E. The exterior wood shingles displays deterioration due to age and the elements. Owner should replace wood shingles when necessary as part of normal property maintenance.

RECOMMENDATION:
Party of interest be aware that moisture areas are conducive to future problems and he/she should have these areas periodically checked by a licensed professional.
OTHER/EXTERIOR:

F. Exterior wall surfaces prevented inspection of framing members. A visual inspection of accessible surface areas revealed no evidence of any problem to justify dismantling for further inspection, except as mentioned.

RECOMMENDATION:
Owner is advised to achieve periodic inspections by licensed professionals.

G. Some plants and shrubs may be damaged during the course of repairs. While all reasonable care will be taken, we assume no responsibility for any damage to plants or shrubs. Owner should transplant any valuable plants.

Items in this report are designed to eliminate damage as a result of wood destroying pests and organisms and adverse conditions which lead to same. This inspection is not designed to bring the dwelling into existing local code compliance. Any additional information regarding same will have to be obtained from the local building department. Any additional required work is subject to a supplemental report and additional cost.

GUARANTEE: All work performed is guaranteed for a period of one (1) year from date of completion, unless specifically mentioned elsewhere herein; except plumbing, grouting, or caulking which is guaranteed for 90 days.
AN-OTHER TERMITE CO., INC.

EIGHTH PAGE OF STANDARD INSPECTION REPORT OF THE PROPERTY LOCATED AT:
2012A DELAWARE STREET BERKELEY 94709
Address of Property Inspected City Zip

3928974T 01/29/97 2336
Stamp No. Date of Inspection Co. Report No. Employee No.

11. OTHER/EXTERIOR:

Thank you for selecting AN-OTHER TERMITE CO., INC., to perform a structural pest control inspection on your property. Our inspector has determined that your property will benefit from the safe application of a chemical commonly used for structural pest control. In accordance with the laws and regulations of the State of California, we are required to provide you and your occupants with the following information prior to any application of chemicals to such property. Please take a few moments to read and become familiar with the content.

State law requires that you be given the following information:

"CAUTION-PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Operators are licensed and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Food and Agriculture and the United States Environmental Protection Agency. Registration is granted when the state finds that based on scientific evidence, there are no appreciable risks weighed by the benefits. The degree of risk depends on the degree of exposure, so exposure should be minimized."

"If within 24 hours following application, you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center and your pest control operator immediately."

For further information contact any of the following:

AN-OTHER TERMITE CO., INC. ......................... (510) 233-5200
ALAMEDA County Health Department ...................... (510) 271-4263
ALAMEDA County Poison Control Center .............. (510) 523-2222
ALAMEDA County Agricultural Commissioner ........... (510) 670-5232
Structural Pest Control Board ......................... (916) 263-2540
1422 Howe Ave. #3, Sacramento, Ca., 95825

The chemical(s) to be used on your property:

TIM-DOR (Sodium Borate)
AN-OTHER TERMITE CO., INC.

1600 Potrero Avenue, Richmond CA, 94804 (510) 233-5200

AGREEMENT

AN-OTHER TERMITE CO., INC. is authorized to proceed with the work outlined in items circled below from their Termite Inspection Report of 2336 at 2012A DELAWARE STREET, BERKELEY, for a total sum of 3.

This total amount is due and payable within ten (10) days from completion of repair work and/or chemical application.

AN-OTHER TERMITE CO., INC. AGREES:
1. To guarantee all repair completed by this company for one year from date of completion except for caulking, grouting or plumbing, which is guaranteed for a period of ninety (90) days. We assume no responsibility for work performed by others.
2. To be bound to perform the work for the price quoted in our cost breakdown for a period not to exceed 30 days.
3. To use reasonable care in the performance of our work but to assume no responsibility for damage to any hidden pipes, wiring, or other facilities or to any shrubs, plants or roof.

OWNER OR OWNER'S AGENT AGREES:
1. To pay for services rendered including any additional services requested, upon completion of work.
2. To pay a service charge of one and one-half percent (1 1/2%) interest per month, or portion of any month, on amount due one and a half percent (1 1/2%), on account exceeding the ten (10) day full payment of 30 days.
3. Owner grants to AN-OTHER TERMITE CO., INC., a security interest in the above described real property to secure payment made for work and inspection fee completed.
4. In case of non-payment by owner, reasonable attorney fees and costs of collection shall be paid by owner unless suit is filed or not.

BOTH PARTIES AGREE
1. If any additional work is deemed necessary by the local building inspector, said work will not be performed without additional authorization from owner or owner's agent.
2. This contract price does not include the charge of any Inspection Report fees.

Cite the items you wish performed by AN-OTHER TERMITE CO., INC., below and enter total amount above.

ITEMS FOR SECTION ONE:
6A-$230.00, 7A-$295.00, 9A-$145.00, 9H-$110.00, 11A-$45.00, 11B-$80.00, 11C-$0.00,

PERMIT AMOUNT IS 170.00 TOTAL SECTION I is 1975.00

ITEMS FOR SECTION TWO:
6C-$110.00,

TOTAL SECTION II is 118.00

NOTICE TO OWNER

Under the California Mechanics' Lien Law any person who has performed services, work or furnished materials, labor, supplies or any other service used in constructing or maintaining property on which said work or furnishing of materials are performed, may file notice of commencement and demand payment of the amount due, together with the name of the person for whom work is performed, the address of the property on which work is performed, and the amount due for labor and materials furnished by him to the owner of the property. The notice must be signed by the person who furnishes labor or materials or the person who has charge of the property. A blanket lien, Notice containing a broad description of the property, is given to the person who furnishes labor or materials or the person who has charge of the property. An owner of the property is entitled to notice of a material lien, but he is not entitled to notice of a labor lien. A material lien will not be enforced unless the owner gives notice of his claim in writing to the person from whom labor or materials are furnished. The claimant must file suit within the time limit of 120 days from the date of performance of the work, unless the owner has filed suit in the meantime.

OWNER OR OWNER'S AGENT DATE ~
X ____________________________
X ____________________________
X ____________________________

AN-OTHER TERMITE CO., INC.
BY: ____________________________
ESCROW CO: ____________________
ESCROW #: ____________________
**AN-OTHER TERMITE CO., INC.**
1400 Potrero Avenue
Richmond CA, 94804
(510) 233-5200

**INV. # REPORT # REFERENCE**

<table>
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<th>INV. #</th>
<th>REPORT #</th>
<th>REFERENCE</th>
<th>INV AMT</th>
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<td>0.00</td>
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</table>

**Total Invoice Charges** ............ 50.00
**Total Amount Received** ............. 50.00
**Total Interest Charged To Date** .... 0.00

**Total Balance Amount Due ... Please Pay This Amount** .................. > 0.00

TOTAL P.14
REAL ESTATE TRANSFER/DISCLOSURE STATEMENT
(CALIFORNIA CIVIL CODE 1102, ET SEQ.)
CALIFORNIA ASSOCIATION OF REALTORS® standardized form

THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF
COUNTY OF __________, STATE OF CALIFORNIA.

DESCRIBED AS __________. A. DELAWARE.

THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE
WITH SECTION 1102 OF THE CIVIL CODE AS OF __________. IT IS NOT A WARRANTY
OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION,
AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.

COORDINATION WITH OTHER DISCLOSURE FORMS

This Real Estate Transfer Disclosure Statement is made pursuant to Section 1102 of the Civil Code. Other statutes require disclosures, depending upon the details of the particular real estate transaction (for example, special study zone and purchase-money liens on residential property).

Substituted Disclosures: The following disclosures have or will be made in connection with this real estate transfer and are intended to satisfy the disclosure obligations on this form, where the subject matter is the same:

☐ Inspection reports completed pursuant to the contract of sale or receipt for deposit;
☐ Additional inspection reports or disclosure.

SELLER'S INFORMATION

The Seller discloses the following information with the knowledge that even though this is not a warranty, prospective Buyers may rely on this information in deciding whether or not to purchase the subject property. Seller hereby authorizes any person(s) representing the Buyer(s) in this transaction 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 SELLER(S) AND ARE NOT THE REPRESENTATIONS OF
THE AGENT(S), IF ANY. THIS INFORMATION IS A DISCLOSURE AND IS NOT INTENDED TO BE PART OF ANY
CONTRACT BETWEEN THE BUYER AND SELLER.

Seller ☐ is ☐ is not occupying the property.

A. The subject property has the items checked below (read across):

☐ Range
☐ Dishwasher
☐ Wash/Dryer
☐ Garage/Alarm
☐ TV/Antenna
☐ Central Heating
☐ Wall/Window Air Conditioning
☐ Sump Tank
☐ Pool/Spa/Decking
☐ Security Gate(s)
☐ Garage: Attached
☐ Pool/Spa/Heater: ☐ Gas
☐ Water Heater: ☐ Gas
☐ Water Supply: ☐ City
☐ Gas Supply: ☐ Utility

Exhaust Fan(s) in ________ . Exhaust Fan Wiring in ________ .

Footnote: In Living Room - need relief. ☐ Clay Stove Type: ________ .

Age: ________ (approx.)

Are there, to the best of your knowledge, any of the above that are not in operating condition? ☐ Yes ☐ No. If yes, then describe. (Attach additional sheets if necessary):

B. Are you (Seller) aware of any significant defects/malfunctions in any of the following? ☐ Yes ☐ No. If yes, check appropriate space(s) below:

☐ Interiors: Walls ☐ Ceiling ☐ Floors ☐ Exterior Walls ☐ Windows ☐ Windows ☐ Doors ☐ Foundation ☐ Sheds
☐ Doors ☐ Electrical: Sockets & Outlets ☐ Electrical: ☐ Water/Fire Sprinklers ☐ Electrical: ☐ Electrical: ☐ Other Structure

Describe: ____________________________________________________________________________

Possible small case leak under bathtub. This year installed weather-stripping. No longer seem to leak.

If any of the above is checked, explain. (Attach additional sheets if necessary):

*This garage door opener may not be in compliance with the safety regulations relating to automatic reversing devices as set forth in
Chapter 125 (commencing with Section 15890) of Part 3 of Division 13 of the Health and Safety Code.

Buyer and Seller acknowledge receipt of copy of this page, which constitutes Page 1 of 2 Pages.

Buyer's initials (________) (________) Seller's initials (________) (________)
1. Substances, materials, or products which may be an environmental hazard such as, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, and contaminated soil or water on the subject property. [ ] Yes [ ] No

2. Features of the property shared in common with adjoining landowners, such as wells, fences, and driveways, whose use or responsibility for maintenance may have an effect on the subject property. [ ] Yes [ ] No

3. Any encroachments, easements or similar rights that may affect your interest in the subject property. [ ] Yes [ ] No

4. Room additions, structural modifications, or other alterations or repairs made without necessary permits. [ ] Yes [ ] No

5. Room additions, structural modifications, or other alterations or repairs not in compliance with building codes. [ ] Yes [ ] No

6. Fixtures (constructed or otherwise) on the property or any portion thereof. [ ] Yes [ ] No

7. Any settling from any cause, or slippage, sliding, or other soil problems. [ ] Yes [ ] No

8. Flooding, drainage, or grading problems. [ ] Yes [ ] No

9. Any damage to the property or any of the structures on the property, including a defect in the real property or "common areas." (Defects such as, but not limited to, defects in the real property or "common areas." [ ] Yes [ ] No

10. Any zoning violations, non-conforming uses, violations of "setback" requirements. [ ] Yes [ ] No

11. Neighborhood noise problems or other nuisances. [ ] Yes [ ] No

12. CC&Rs or other deed restrictions or obligations. [ ] Yes [ ] No

13. Homeowners' Association which has any authority over the subject property. [ ] Yes [ ] No

14. Any "common area" facilities such as pools, tennis courts, walkways, or other areas co-owned by the subdivided interest with others. [ ] Yes [ ] No

15. Any notice of default or violations against the property. [ ] Yes [ ] No

16. Any violations of the Association's covenants, conditions and restrictions affecting the real property, including any violations alleging a defect or deficiency in the real property or "common areas." [ ] Yes [ ] No

If the answer to any of these is "No," further explanation is required. (Attach additional sheets if necessary)

Selling party, as of the date signed by the Seller.

Selling party, as of the date signed by the Seller.

III

AGENT'S INSPECTION DISCLOSURE

(To be completed only if the Seller is represented by an agent in this transaction.)

THE UNDERSIGNED, BASED ON THE ABOVE INQUIRY OF THE SELLER(S), AS TO THE CONDITION OF THE PROPERTY AND BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY IN CONJUNCTION WITH THIS INQUIRY, STATES THE FOLLOWING:

 Agent notes no items for disclosure.

 Agent notes the following items:

[Please specify items]

Agent (Broker)

Representing Seller

IV

AGENT'S INSPECTION DISCLOSURE

(To be completed only if the agent who has obtained the offer is other than the agent above.)

THE UNDERSIGNED, BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY, STATES THE FOLLOWING:

 Agent notes no items for disclosure.

 Agent notes the following items:

[Please specify items]

Agent (Broker)

Representing Seller

V

BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND/OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN BUYER AND SELLER(S) WITH RESPECT TO ANY ADVICE/INSPECTIONS/DEFECTS.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT.

Buyer ____________________ Date ___________ Seller ____________________ Date ___________

Agent (Broker)

Representing Seller ____________________ Date ___________ By ____________________

Agent (Broker)

Representing Seller ____________________ Date ___________ By ____________________

Agent (Broker)

Representing Seller ____________________ Date ___________ By ____________________

Section 1012.2 of the Civil Code provides a Buyer with the right to rescind a Purchase Contract for at least three days after the delivery of this disclosure. If delivery occurs after the signing of an Offer to Purchase, you may wish to rescind the contract, if you act within the prescribed period.

A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE, IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.
ADDENDUM

IN REGARD TO THE REAL ESTATE PURCHASE CONTRACT AND RECEIPT FOR DEPOSIT DATED ____________, BETWEEN _______________ (BUYER) AND _______________ (SELLER), FOR THE SALE OF THE REAL PROPERTY LOCATED AT 2012 A Delaware.

BUYER HAS BEEN INFORMED THAT WORK HAS BEEN DONE ON THE PROPERTY WITHOUT PERMITS, INCLUDING BUT NOT LIMITED TO THE FOLLOWING:

- Plumbing & electrical to shed
- Spiral staircase
- Day Window

BUYER IS ADVISED TO CONSULT WITH BUYER’S ATTORNEY REGARDING THE LEGAL EFFECT AND POSSIBLE CONSEQUENCES THEREOF.

1/28/97

DATE

[Signature]

BUYER

DATE

[Signature]

BUYER

DATE

[Signature]

SELLER

DATE

[Signature]

SELLER

1656 Shattuck Avenue, Berkeley, CA 94709 • (510) 848-1950

TOTAL P. 83