



LARRY WALKER
Auditor/Controller - Recorder
698 First American - LH

FIRST AMERICAN TITLE
RECORDING REQUESTED BY
First American Title Company

Doc #: **2005-0798849**

Titles:	1	Pages:	3
Fees			12.00
Taxes			19.25
Other			00
PAID			31.25



AND WHEN RECORDED MAIL TO:
Arista Verde, LLC
12211 Idaho Avenue #305
Los Angeles, CA 90025

2039884 or

Space Above This Line for Recorder's Use Only

A.P.N.: 0330-146-02; 0342-021-24; 0342-036-50;
0557-041-09; 0630-192-10

File No.: SYV-2039884 (db)

GRANT DEED

19.25

The Undersigned Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX *^*; CITY TRANSFER TAX \$0.00;

- computed on the consideration or full value of property conveyed, OR
- computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,
- unincorporated area; City of , and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **Ruth Lausevic, a widow**

hereby GRANTS to **Arista Verde, LLC**

the following described property in the Unincorporated area of , County of **San Bernardino**, State of **California**:

LEGAL DESCRIPTION IS CONTAINED IN EXHIBIT "A"; ATTACHED HERETO AND MADE
A PART THEREOF

Dated: 08/10/2005

Ruth Lausevic

Ruth Lausevic

STATE OF CALIFORNIA }
COUNTY OF Los Angeles } ss.

On August 16, 2005, before me, MARIA H. EHRHARDT personally appeared RUTH LAUSEVIC 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 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 *[Handwritten Signature]*



official

My Commission Expires: JAN. 17, 2009

Notary Name: MARIA H. EHRHARDT Notary Phone: 310-820-6611
Notary Registration Number: 1545490 County of Principal Place of Business: LOS Angeles

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Bernardino, State of California, described as follows:

PARCEL 1:

LOT 58, BLOCK 1, TRACT 1921, MAP OF LARCHMONT, AS PER PLAT RECORDED IN BOOK OF MAPS, PAGES 12, 13 & 14, RECORDER'S RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA.

PARCEL 2:

LOT 45, BLOCK B TRACT 2330 CEDARPINES PARK #12 AS PER PLAT RECORDED IN BOOK 33 OF MAPS, PAGE 75 RECORDS OF SAN BERNARDINO COUNTY.

PARCEL 3:

LOT 36 BLOCK F, IN TRACT 1895, CEDAR PINES PARK NO. 8, AS PER PLAT RECORDED IN BOOK 27 OF MAPS, PAGE 37, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA.

PARCEL 4:

THE SOUTH ½ OF THE NORTHEAST ¼ OF THE SOUTHEAST ¼ OF SECTION 16, TOWNSHIP 7 NORTH, RANGE 9 EAST, SAN BERNARDINO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND ON FILE IN THE DISTRICT LAND OFFICE.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE ATCHISON, TOPEKA AND SANTA FE RAILROAD.

PARCEL 5:

LOT 50, TRACT NO. 5834, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 72 OF MAPS, PAGES 36 AND 37, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, OIL SHALE, COAL, PHOSPHATE, SODIUM, GOLD, SILVER AND ALL OTHER MINERAL DEPOSITS CONTAINED IN SAID LAND, TOGETHER WITH THE RIGHT TO DRILL FOR AND EXTRACT SUCH DEPOSITS OF OIL AND GAS, OR GAS, AND TO PROSPECT FOR, MINE, AND REMOVE SUCH DEPOSITS OF OTHER MINERALS FROM SAID LAND, AND TO OCCUPY SO MUCH OF THE SURFACE OF SAID LAND AS MAY BE REQUIRED THEREFOR, UPON COMPLIANCE WITH THE CONDITIONS AND SUBJECT TO THE PROVISIONS AND LIMITATIONS OF CHAPTER 5, PART 1, DIVISION 6 OF THE PUBLIC RESOURCES CODE, AS RESERVED BY THE STATE OF CALIFORNIA, IN PATENT RECORDED APRIL 15, 1957 IN BOOK 4206 OF OFFICIAL RECORDS, PAGE 386.

APN: 0330-146-02-0-000 and 0342-021-24-0-000 and 0342-036-50-0-000 and 0557-041-09-0-000 and 0630-192-10-0-000



LARRY WALKER
Auditor/Controller - Recorder
698 First American - LH

FIRST AMERICAN TITLE

RECORDING REQUESTED BY
First American Title Company

AND WHEN RECORDED MAIL TO:

Arista Verde, LLC
12211 Idaho Avenue #305
Los Angeles, CA 90025

Doc #: 2005-0798850



Titles:	1	Pages:	2
Fees			29.00
Taxes			.00
Other			.00
PAID			29.00

2039884 dr

Space Above This Line for Recorder's Use Only

A.P.N.: 0330-146-02-0-000

File No.: SYV-2039884 (db)

GRANT DEED

The Undersigned Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX \$None ; CITY TRANSFER TAX \$0.00;
SURVEY MONUMENT FEE \$

- computed on the consideration or full value of property conveyed, OR
- computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,
- unincorporated area; City of , and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **Elcco Builders, Inc.**

hereby GRANTS to **Ruth Lausevic, a widow**

the following described property in the City of , County of **San Bernardino**, State of **California**:

LOT 58, BLOCK 1, TRACT 1921, MAP OF LARCHMONT, AS PER PLAT RECORDED IN BOOK OF MAPS, PAGES 12, 13 & 14, RECORDER'S RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA.

Dated: 10/04/2005

Elcco Builders, Inc.

By: Lauryn Burnett

Its: Chief Executive Officer/Chief Financial Officer

Date: 10/04/2005

STATE OF California }
COUNTY OF Los Angeles } ss.
}

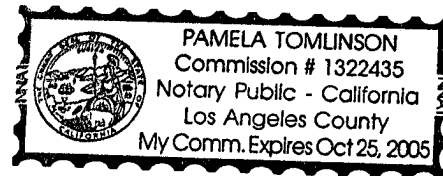
On October 13, 2005, before
me, Pamela Tomlinson Notary Public personally
appeared Lauryl Burnett
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose
name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies) and that 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.

This area for official notarial seal

Signature

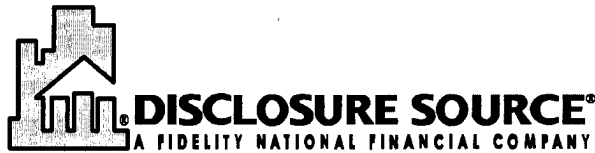
Pamela Tomlinson



My Commission Expires: Oct 25, 2005

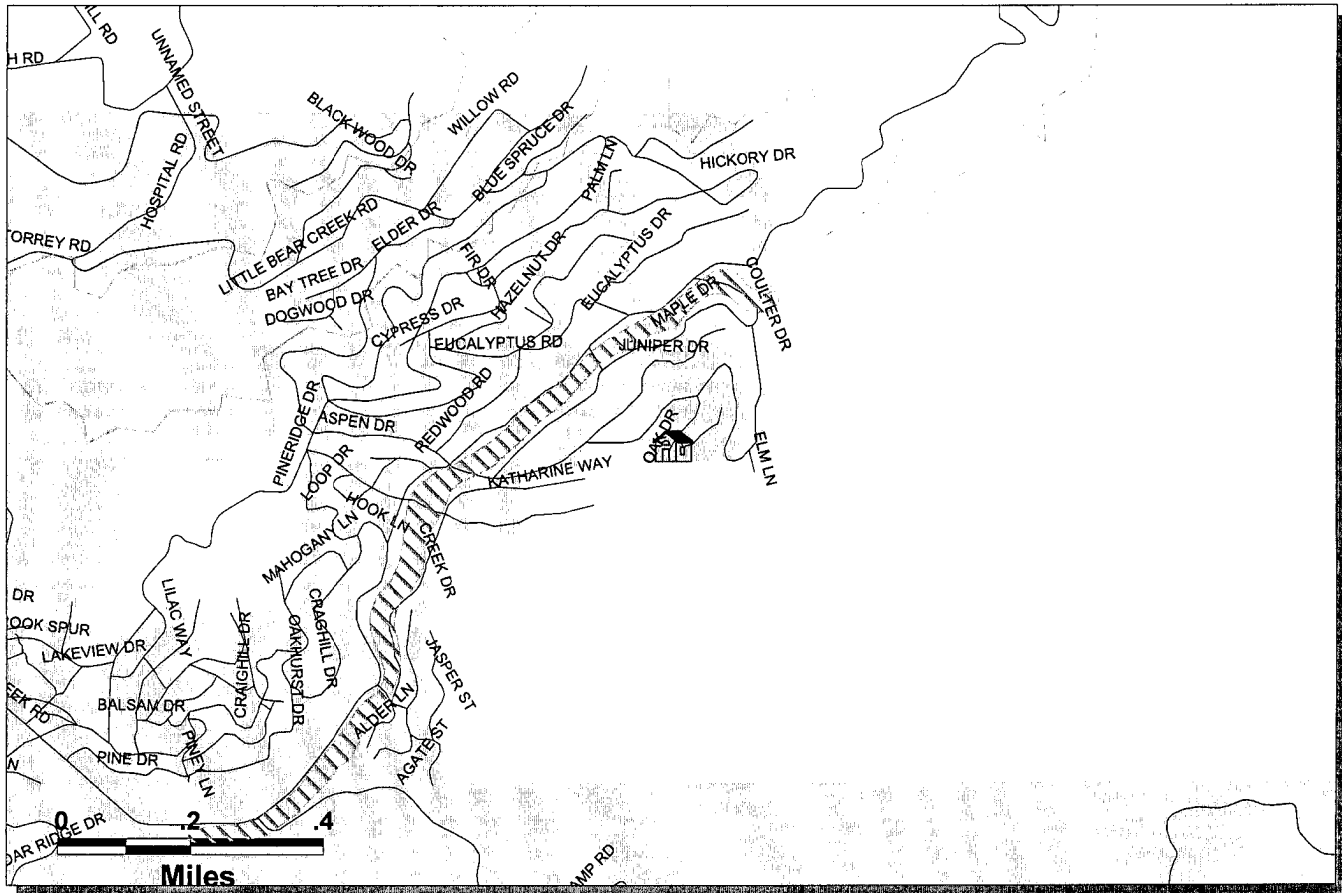
Notary Name: Pamela Tomlinson
Notary Registration Number: 1322435

Notary Phone: 310-649-3919
County of Principal Place of Business: L.A.



Natural Hazard Reference Map

Mandatory State Disclosures



Pin Oak Dr Cedar Glen, CA 92321

- ★ IS IS NOT located in a FEMA Special Flood Hazard Area.
- IS IS NOT located in a Dam Inundation Area.
- IS IS NOT located in a Very High Fire Hazard Area.
- ★ IS IS NOT located in a Wildland Fire Area.
- IS IS NOT located in an Alquist-Priolo Earthquake Fault Zone.
- ★ IS IS NOT located in a Seismic Hazard Zone.

Map Legend

- FEMA Flood Zones
- Dam Inundation Hazard Zones
- Very High Fire Hazard Area
- Wildland Fire Area
- Earthquake Fault Zones
- Seismic Hazard Zones
- Bodies of Water and Rivers
- City Regions

10-Aug-05

APN: 0330-146-02-0000

ERN: 081005-00312

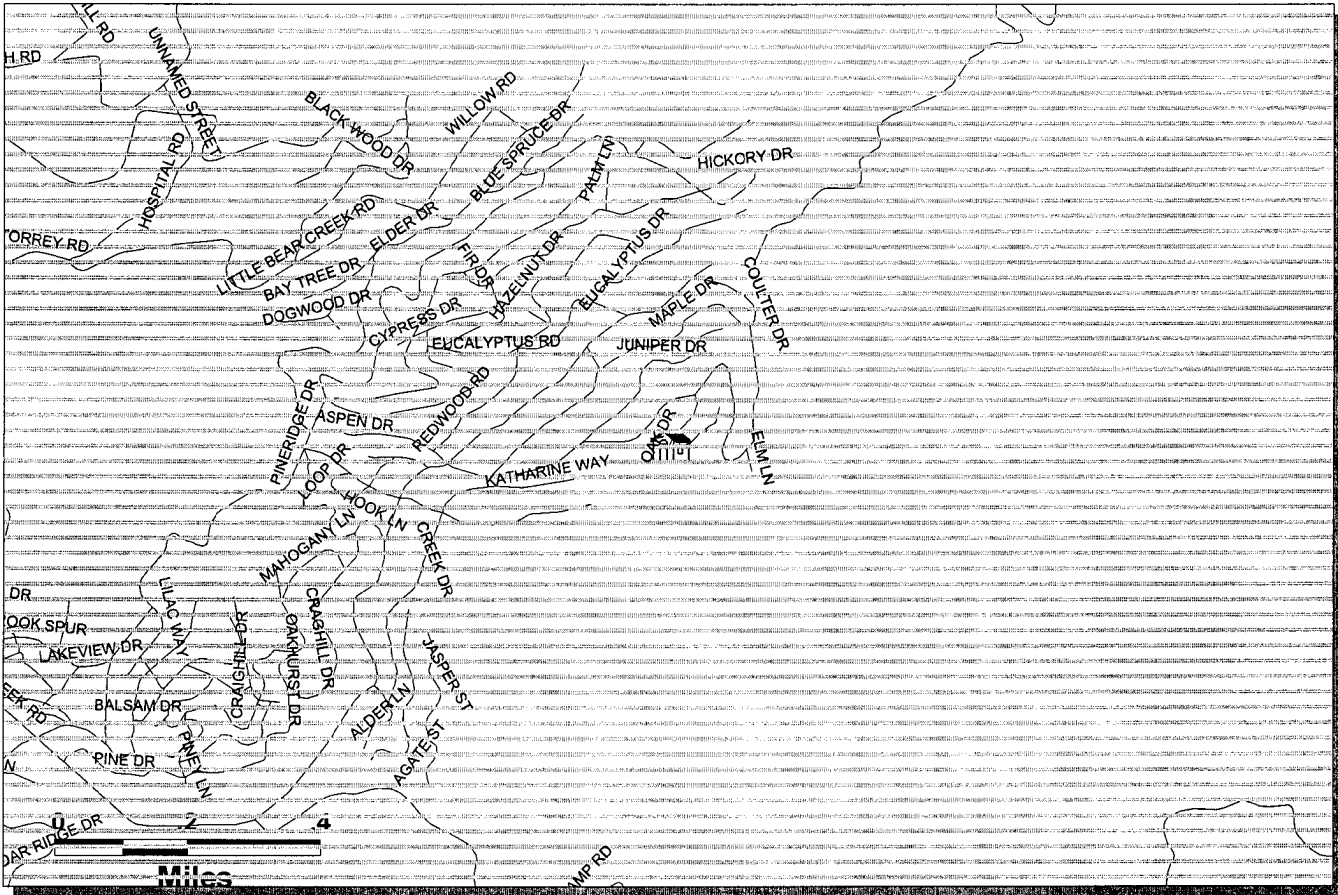
★ Please read the report
for further information

This map is for your aid in locating natural hazard areas in relation to the subject property. It is intended for informational purposes only. The company assumes no liability (express or implied) for any loss occurring by reference, misinterpretation, misuse, or sole reliance thereon. **This map is not intended for use as a substitute disclosure under California Civil Code § 1103.2**



Natural Hazard Reference Map

Expanded Disclosures



Pin Oak Dr Cedar Glen, CA 92321

- IS IS NOT located in a City/County Flood Hazard Area.
- IS IS NOT in a City/County High Fire Hazard Zone.
- IS IS NOT in an Expanded Fault Special Studies Zone.
- ★ IS IS NOT in an Expanded Seismic/Geologic Hazard Area.

Map Legend

- Flood Hazard Zones
- High Fire Hazard Area
- Fault Zones
- Seismic Hazard Zones
- Bodies of Water and Rivers
- City Regions

10-Aug-05
 APN: 0330-146-02-0000
 ERN: 081005-00312

★ Please read the report for further information

This map is for your aid in locating natural hazard areas in relation to the subject property. It is intended for informational purposes only. The company assumes no liability (express or implied) for any loss occurring by reference, misinterpretation, misuse, or sole reliance thereon. **This map is not intended for use as a substitute disclosure under California Civil Code B 1103.2**

NATURAL HAZARD DISCLOSURE STATEMENT

Escrow No: 2039884

This statement applies to the following property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

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

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

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

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

Yes _____ No _____ Do not know/information not available from local jurisdiction

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

Yes _____ No Do not know/information not available from local jurisdiction _____

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

Yes _____ No

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

Yes No _____

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

Yes _____ No

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

Yes (Landslide Zone) _____ Yes (Liquefaction Zone) _____

No _____ Map not yet released by state

THESE HAZARDS MAY LIMIT YOUR ABILITY TO DEVELOP THE REAL PROPERTY, TO OBTAIN INSURANCE, OR TO RECEIVE ASSISTANCE AFTER A DISASTER.

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

Signature of Transferor(s) _____ Date _____

Signature of Transferor(s) _____ Date _____

Agent(s) _____ Date _____

Agent(s) _____ Date _____

Check only one of the following:

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

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

Third-Party Disclosure Provider(s)  **DISCLOSURE SOURCE**
A FIDELITY NATIONAL FINANCIAL COMPANY Date 8/10/2005

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

Signature of Transferee(s) ARISTA VERDE LLC
[Signature] Date 8-10-05

Signature of Transferee(s) KEVIN H. MCGOWAN, MEMBER Date _____



DISCLOSURE SOURCE[®]

A FIDELITY NATIONAL FINANCIAL COMPANY

Natural Hazard Disclosure Report

Residential Version with Expanded Disclosure

Customer Support: 800.880.9123
Escrow Number: 2039884
Order Number: 081005-00312
Dated as of: 8/10/2005 6:32:40 PM

Deliver To

Kevin H. McGowan
Arista Verde LLC
12211 Idaho Ave Apt 305
Los Angeles, 90025 CA

Recipient
Ruth Lausevic

Subject Property
Pin Oak Dr
Cedar Glen, 92321 CA

THE INFORMATION CONTAINED IN THIS REPORT IS INTENDED FOR THE EXCLUSIVE BENEFIT AND USE OF THE RECIPIENT(S). NO PERSON OTHER THAN THE RECIPIENT(S) SHOULD RELY UPON, REFER TO, OR USE THIS REPORT, OR ANY INFORMATION CONTAINED WITHIN THIS REPORT, FOR ANY PURPOSE. THE RECIPIENT(S) SHOULD CAREFULLY READ THE EXPLANATION OF SERVICES, AND, THE CONDITIONS AND STIPULATIONS CONTAINED IN THIS REPORT.

NO RECIPIENT MAY RELY ON THIS REPORT UNLESS FULL PAYMENT FOR IT IS MADE.

INFORMATION

Natural Hazard Reference Map(s) Form – Natural Hazard Disclosure Statement	Maps 1 & 2 Attachment
SECTION I: NATURAL HAZARD SUMMARY	
A Special Flood Hazard Area (Any Type Zone "A" or "V")	1
An Area of Potential Flooding (Government Code Section 8589.4)	1
Wildland Area Forest Fire Risks and Hazards (Public Resources Code Section 4136)	2
Very High Fire Hazard Severity Zone (Government Code Section 51183.5)	2
Earthquake Fault Zone (Public Resources Code Section 2621.9)	3
Seismic Hazard Zone (Public Resources Code Section 2694)	3
SECTION II: EXPANDED DISCLOSURES	
Important Expanded Natural Hazard Information	4
SECTION III:	
Explanation of Services, Conditions and Stipulations - Read Carefully	

SECTION I: Natural Hazard Summary

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

SPECIAL FLOOD HAZARD AREA DETERMINATION

BACKGROUND INFORMATION / DISCUSSION:

Pursuant to federal law, The Federal Emergency Management Agency (FEMA) is required to identify and designate areas that are subject to flooding as part of the National Flood Insurance Program. If a property is located in a special flood hazard area, the cost and availability of flood insurance may be affected. Property not located in a Special Flood Hazard Area is not relieved from the possibility of sustaining flood damage.

Sources of data: Government agencies and/or their appointed designate(s). Title 42 United States Code Section 4101

FINDINGS:

Based on a review of flood insurance map(s) published by the Director of the Federal Emergency Management Agency, the Company reports:

IS located in a Special Flood Hazard Area. IS NOT located in a Special Flood Hazard Area

Do not know/information not available

ADDITIONAL INFORMATION:

an area of undetermined but possible flood hazards.

DAM INUNDATION / AREA OF POTENTIAL FLOODING DETERMINATION

BACKGROUND INFORMATION / DISCUSSION:

By this act, the California State Legislature intended to establish procedures for the emergency evacuation and control of populated area(s) near/below dams. Pursuant to Government Code Section 8589.4, The State of California Office of Emergency Services is required to review, approve and maintain copies of the maps that have been prepared and submitted to them by local governmental organizations, utilities or other owners of any dam in the state. The maps delineate areas of potential inundation and flooding that could result from a sudden, partial or total dam failure. The actual risk of dam failure is not defined by the map(s). This legislation also requires, appropriate public safety agencies of any city, county, the territory of which is located in such an area, to adopt/implement adequate emergency procedures for the evacuation and control of populated areas below such dams.

Source(s) of data: Government agencies and/or their appointed designate(s). Government Code Section 8589.4 Et Seq.

FINDINGS:

Based on a review of the official map(s), available through The State of California Office of Emergency Services, the Company reports:

IS located in a Dam Inundation Zone. IS NOT located in a Dam Inundation Zone

Do not know/information not available

SECTION I: Natural Hazard Summary (continued)

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

VERY HIGH FIRE SEVERITY ZONE DETERMINATION

BACKGROUND INFORMATION / DISCUSSION:

The California Legislature has declared that space and structure defensibility is essential to diligent fire prevention. Further, the Director of Forestry and Fire Prevention has identified areas in the state as Very High Fire Hazard Severity Zones based on consistent statewide criteria, and based on the severity of fire hazard that is expected to prevail in those areas. Determining information includes, but is not limited to: Fuel loading, terrain (slope), fire weather conditions and other relevant factors.

According to the pertinent codes, local fire districts have created Very High Fire Severity Zone maps covering their jurisdictions. However the officially released maps compiled by the state do not include all of these local district maps. Where available, DisclosureSource® has obtained these local jurisdiction maps and added them to this search.

Source(s) of data: Government agencies or their appointed designate(s). California Government Code Section 51178 and 51179

FINDINGS:

Based on a review of the official map(s) issued by the Director of Forestry and Fire Protection for the State of California, the Company reports:

_____ IS located in a Very High Fire Hazard Severity Zone. IS NOT located in a Very High Fire Hazard Severity Zone

STATE FIRE RESPONSIBILITY AREA / WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS DETERMINATION

BACKGROUND INFORMATION / DISCUSSION:

The State of California Department of Forestry and Fire Prevention designates Areas of State Fire Responsibility. This means The California Department of Forestry bears the primary financial responsibility for the prevention and/or suppression of fires in these areas. A Seller of real property located within a State Fire Responsibility Area must disclose the fact that there may be a forest fire risk and hazard on the property, and the fact that the property owner may be subject to the imposition of fire mitigation measures as set forth in Public Resources Code Section 4291.

However the degree of hazard is not indicated within the official State Fire Responsibility Area maps. It may range from Low to Very High.

Source(s) of data: California Public Resources Code Section 4125

FINDINGS:

Based on a review of the official map(s) issued by the California Department of Forestry and Fire Protection, the Company reports:

IS located in a State Fire Responsibility Area. _____ IS NOT located in a State Fire Responsibility Area.

SECTION I: Natural Hazard Summary (continued)

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

ALQUIST-PRIOLO EARTHQUAKE FAULT ZONE DETERMINATION

BACKGROUND INFORMATION / DISCUSSION:

Earthquake Fault Zone maps are delineated and compiled by the California State Geologist pursuant to the Alquist-Priolo Earthquake Fault Zoning Act. During an earthquake, structures located directly over fault zones (surface fault traces) could sustain damage as a result of a seismic event resulting from ground fault rupture (surface cracking). For the purposes of this report, an Earthquake Fault Zone is generally defined as an area approximately 1/4 mile in total width (1,320 feet) located on either side of a known active or potentially active earthquake fault.

An "active" fault as defined by the State of California, Department of Conservation, Division of Mines and Geology is an earthquake fault that has produced ground surface displacement (ground surface rupture) within the last eleven thousand years. A "potentially active" fault is defined by the State of California, Department of Conservation, Division of Mines and Geology as a fault that has produced ground surface displacement (ground surface rupture) within the last 1.5 million years.

Source(s) of data: State of California Department of Conservation Division of Mines and Geology. California Public Resources Code Section 2621 ET SEQ

FINDINGS:

Based on a review of the official Earthquake Fault Zone Map(s), issued by the California State Geologist the Company reports:

IS located in an Alquist-Priolo Fault Zone. IS NOT located in an Alquist-Priolo Fault Zone.

SEISMIC HAZARD ZONE DETERMINATION

BACKGROUND INFORMATION / DISCUSSION:

The intent of the Seismic Hazards Mapping Act of 1990 is to provide for a statewide seismic hazard mapping and technical advisory program to assist cities and counties in fulfilling their responsibilities for protecting the public health and safety from the effects of strong ground shaking, liquefaction (failure of water-saturated soil), landslides and other seismic hazards caused by earthquakes.

Under this act, The California Department of Conservation is mandated to identify and map the state's most prominent earthquake hazards. Information produced by these maps is utilized (in part) by cities and counties to regulate future development. Development/ Construction permits may be withheld until adequate geologic or soils investigations are conducted for specific sites, and mitigation measures are incorporated into development plans.

Source(s) of data: California Public Resources Code Section 2694

FINDINGS:

Based on a review of the official map(s) issued by the State of California, Department of Conservation, Division of Mines and Geology, the Company reports:

Yes - Landslide Hazard Zone No - Landslide Hazard Zone Map not released by state

Yes - Liquefaction Hazard Zone No - Liquefaction Hazard Zone Map not released by state

END OF SECTION I

SECTION II: Expanded Disclosures

Subject Property:

Pin Oak Dr Cedar Glen, CA 92321 APN:0330-146-02-0000

NOTICE REGARDING EXPANDED NATURAL HAZARDS DISCLOSURES

DisclosureSource® is providing information on locally identified natural hazards set forth below as an additional service because their disclosure to purchasers is either required by ordinance or the information is readily available. The purpose of this document is to disclose whether the Subject Property lies within any of the hazard areas described below.

DisclosureSource has obtained all maps that are both official and publicly available from city, county, state and federal sources which supplement and complete the natural hazard information required by the California Civil Code 1103.

The foregoing statement should be considered a part of the Explanation of Services, Limitations & Disclaimers of this DisclosureSource Report and Those Limitations and Disclaimers apply to this Statement. Please refer to them for further information.

EXPANDED FLOOD HAZARD DISCLOSURE

BACKGROUND INFORMATION / DISCUSSION:

Supplemental flood zones include information not covered by Special Flood Hazard Areas as designated by the Federal Emergency Management Agency nor by Dam Inundation zones as reported by the California State Office of Emergency Services. These can include tsunamis, seiches (inland lake tsunamis), runoff hazards, historical flood data and additional dike failure hazards.

FINDINGS:

Based on a review of the available maps, the subject property:

IS located in a supplemental Flood Hazard Zone. IS NOT located in a supplemental Flood Hazard Zone.

ADDITIONAL INFORMATION:

None.

SECTION II: Expanded Disclosures (continued)

Subject Property:

Pin Oak Dr Cedar Glen, CA 92321 APN:0330-146-02-0000

NOTICE REGARDING EXPANDED NATURAL HAZARDS DISCLOSURES

DisclosureSource® is providing information on locally identified natural hazards set forth below as an additional service because their disclosure to purchasers is either required by ordinance or the information is readily available. The purpose of this document is to disclose whether the Subject Property lies within any of the hazard areas described below.

DisclosureSource has obtained all maps that are both official and publicly available from city, county, state and federal sources which supplement and complete the natural hazard information required by the California Civil Code 1103.

The foregoing statement should be considered a part of the Explanation of Services, Limitations & Disclaimers of this DisclosureSource Report and Those Limitations and Disclaimers apply to this Statement. Please refer to them for further information.

SUPPLEMENTAL FIRE HAZARD DISCLOSURE

BACKGROUND INFORMATION:

Local agencies may, at their discretion, include or exclude certain areas from the requirements of California Government Code Section 51182 (imposition of fire prevention measures on property owners), following a finding supported by substantial evidence in the record that the requirements of Section 51182 either are, or are not necessary for effective fire protection within the area. Any additions to these maps that we have been able to identify and substantiate are included in this search.

There are other substantial fire hazards that are not subject to Section 51182 such as brush fires. We have included these maps in this search.

The State required fire hazard disclosures only indicate areas of extremely high risk. Also included in this search are known areas of moderate to high fire risk.

FINDINGS:

Based on a review of the available maps, the subject property:

IS located in a supplemental Fire Hazard Zone. IS NOT located in a supplemental Fire Hazard Zone.

ADDITIONAL INFORMATION:

None.

SECTION II: Expanded Disclosures (continued)

Subject Property:

Pin Oak Dr Cedar Glen, CA 92321 APN:0330-146-02-0000

NOTICE REGARDING EXPANDED NATURAL HAZARDS DISCLOSURES

DisclosureSource® is providing information on locally identified natural hazards set forth below as an additional service because their disclosure to purchasers is either required by ordinance or the information is readily available. The purpose of this document is to disclose whether the Subject Property lies within any of the hazard areas described below.

DisclosureSource has obtained all maps that are both official and publicly available from city, county, state and federal sources which supplement and complete the natural hazard information required by the California Civil Code 1103.

The foregoing statement should be considered a part of the Explanation of Services, Limitations & Disclaimers of this DisclosureSource Report and Those Limitations and Disclaimers apply to this Statement. Please refer to them for further information.

EXPANDED GEOLOGIC HAZARD DISCLOSURE

BACKGROUND INFORMATION:

The California Division of Mines and Geology (DMG) has not completed the project assigned it by Section 2696 of the California Public Resources Code to identify areas of potential seismic hazard within the State of California. The DMG and the USGS have performed many valuable studies that supplement the Section 2696 maps and fill in many missing areas. These maps are included in this search.

Also included in this search are maps that indicate many hazards that may or may not be seismically related, including, but not limited to, landslides, debris flows, mudslides, coastal cliff instability, volcanic hazards and avalanches.

Many cities and counties require geologic studies before any significant construction if the subject property is in or near a geologic hazard known to them. We have included all official and publicly available maps indicating geologic hazards known by these jurisdictions.

FINDINGS:

Based on a review of the available maps, the subject property:

IS located in a supplemental Geologic Hazard Zone. IS NOT located in a supplemental Geologic Hazard Zone.

ADDITIONAL INFORMATION:

In a DMG Generally Susceptible Landslide Area

The Property at Pin Oak Dr Cedar Glen, CA 92321 is located in a zone designated by the Division of Mines and Geology (DMG) as a Generally Susceptible Landslide Area. Slopes within these areas are at or near their stability limits due to a combination of weaker materials and steeper slopes. Although most slopes within these areas do not currently contain landslide deposits, the materials that underlie them can be expected to fail, locally, when modified because they are close to their stability limits. If positioned in this zone, a geologic study may be necessary prior to any new or add-on construction. Some construction restrictions may also apply. These maps are based upon judgments that are interpretative and that apply generally to large areas. Therefore, within each area conditions may range, locally, through all levels of susceptibility. No attempt was made to assess the susceptibility of slopes to seismically induced landslides. (DMG, 1989) If the Property is positioned in this zone, DisclosureSource recommends that the buyer contact the local building and planning departments, and inquire as to what restrictions and additional requirements may apply. (DMG3:LS3)

SECTION II: Expanded Disclosures (continued)

Subject Property:

Pin Oak Dr Cedar Glen, CA 92321 APN:0330-146-02-0000

NOTICE REGARDING EXPANDED NATURAL HAZARDS DISCLOSURES

DisclosureSource® is providing information on locally identified natural hazards set forth below as an additional service because their disclosure to purchasers is either required by ordinance or the information is readily available. The purpose of this document is to disclose whether the Subject Property lies within any of the hazard areas described below.

DisclosureSource has obtained all maps that are both official and publicly available from city, county, state and federal sources which supplement and complete the natural hazard information required by the California Civil Code 1103.

The foregoing statement should be considered a part of the Explanation of Services, Limitations & Disclaimers of this DisclosureSource Report and Those Limitations and Disclaimers apply to this Statement. Please refer to them for further information.

EXPANDED EARTHQUAKE FAULT HAZARD DISCLOSURE

BACKGROUND INFORMATION:

Many local jurisdictions have different or higher standards than the state for the identification of active earthquake faults. These jurisdictions have created their own maps which indicate the active faults according these standards. Some jurisdictions also recommend or require the disclosure of potentially active faults. We have included both types of maps in our search.

Many cities and counties require geologic studies before any significant construction if the subject property is in or near an earthquake fault zone known to them. We have included all official and publicly available maps indicating earthquake faults known by these jurisdictions.

FINDINGS:

Based on a review of the available maps, the subject property:

IS located in a supplemental Fault Hazard Zone. IS NOT located in a supplemental Fault Hazard Zone.

ADDITIONAL INFORMATION:

None.

SECTION III:

EXPLANATION OF SERVICES, LIMITATIONS & DISCLAIMERS

Purpose of DisclosureSource® Report

California Civil Code section 1102.6c requires that the seller of certain real property, and his or her agent(s), deliver to the prospective buyer a Natural Hazard Disclosure Statement ("NHDS"). Completion of the NHDS requires a review of specific public records to determine whether the property is located in one of six statutorily defined natural hazard areas.

California Civil Code section 1102.6b requires that the seller of certain real property determine from local agencies whether the property is subject to a Mello-Roos Community Facilities Act Special Tax Assessment, and if so, deliver notice of such special tax assessment to the prospective buyer.

The purpose of the DisclosureSource Report is to assist Recipient(s) in complying with California Civil Code sections 1102.6b & 1102.6c. The DisclosureSource Report informs the Recipient(s) whether a parcel of real property is located within a Civil Code section 1102.6c natural hazard area and also whether the property is subject to a Mello-Roos Community Facilities Act special tax assessment.

In addition to the above:

California Civil Code section 1102.15 requires that a seller of residential real property who has actual knowledge of former federal or state ordinance locations within the one-mile thereof give written notice to a prospective buyer.

California Civil Code section 1102.17 requires that a seller of residential real property who has actual knowledge that the property is affected by an industrial use give written notice to a prospective buyer.

California Penal Code section 290.4 permits the general public to obtain information regarding persons who have been convicted of a sexually based crime and are required to register with the Department of Justice.

California Civil Code section 1102.18 requires that a seller of real property who has actual knowledge of mold conditions or in specified instances has reasonable cause to believe, that mold (visible or hidden) that exceeds permissible exposure limits is present that affects the unit or building give written notice to a prospective buyer.

Services Provided by Disclosure Source

In performing services requested by the Recipient(s), DisclosureSource prepared the NHDS required by Civil Code section 1102.6c, which is attached to the DisclosureSource Report, and is subject to the explanation of services, limitations and disclaimers herein. The NHDS complies with the specific requirements of Civil Code section 1102.6c

DisclosureSource has also searched for and included in this Report information related to the notices required by Civil Code sections 1102.15 and 1102.17 and Penal Code 290.4.

In preparing the NHDS, DisclosureSource searched for the lists and maps identified by Government Code sections 8589.3(c)(2), 8589.4(c)(2), 51183.5(c)(2), and Public Resources Code sections 2621.9(c)(2), 2694(c)(2), and 4136(d)(2). DisclosureSource determined whether, according to those lists and maps, the property is located within a Civil Code section 1102.6c natural hazard area. DisclosureSource then completed the NHDS by marking the appropriate disclosures. DisclosureSource has determined that many local jurisdictions have not compiled the lists or posted the locations of the maps identified by the Government and Public Resources Code sections noted above. Nevertheless, DisclosureSource searched the public records identified below and reported the results of that search in the DisclosureSource Report. Therefore, the DisclosureSource Report may contain additional information not contained in the NHDS, and not required by the noted Code sections, that will be helpful to Recipient(s).

In preparing the DisclosureSource Report, DisclosureSource searched the following public records: (1) Federal Emergency Management Administration (FEMA) National Flood Insurance Program (NFIP) Flood Hazard Boundary Maps, (2) State of California (Office of Emergency Services) Dam Failure/Inundation Maps, (3) State of California (Department of Forestry and Fire Prevention) Very High Fire Severity Zone Maps, (4) State of California (Department of Forestry and Fire Prevention) State Fire Responsibility Area Maps, (5) State of California (Department of Mines and Geology) Alquist-Priolo Earthquake Fault Zone Maps, and (6) State of California (Department of Mines and Geology) Seismic Hazards Mapping Act Maps. DisclosureSource determined, according to these records, whether the property is located within a Civil Code section 1102.6c natural hazard area.

In preparing the DisclosureSource Report, DisclosureSource also reviewed county tax records and/or notices published by local jurisdictions to report whether, according to those records and/or notices, the property is subject to a special tax assessment pursuant to the Mello-Roos Community Facilities Act.

The applicable records of the United States Department of Transportation (Bureau of Statistics), and the U.S. Army Corps of Engineers were searched by DisclosureSource, for information related to the notices required by Civil Code sections 1102.15 and 1102.17.

In performing services for Recipient(s), DisclosureSource has acted as an expert only to the extent that DisclosureSource has utilized its experience in locating, reviewing and reporting the contents of the lists, maps and other specific public records referred to above. DisclosureSource has not verified the accuracy of those lists, maps and public records, and does not insure, warrant or guarantee that they are accurate and up to date. DisclosureSource is not acting as an insurance company in performing services or preparing this report for Recipient(s). This report is not an insurance policy.

Notice to Buyer

DisclosureSource provides the NHDS, and any additional information contained in the DisclosureSource Report, for the benefit of all Recipient(s), including Buyer. DisclosureSource considers Buyer to be a contracting party who is subject to the explanation of services, limitations and disclaimers herein, and by signing the NHDS, Buyer expressly agrees to receive the services, and be bound by the limitations and disclaimers herein.

If for any reason Buyer does not intend to be bound by the limitations and disclaimers herein, or otherwise finds either the NHDS or DisclosureSource Report unacceptable, Buyer should immediately contact Seller, Seller's agent and DisclosureSource.

Disclaimer Notice to Third Parties

The information contained in this report is intended for the exclusive benefit and use of Recipient(s). DisclosureSource expressly disclaims all liability, including liability for breach of contract and negligence, to persons other than Recipient(s).

Limitation of Liability to Recipient(s)

DisclosureSource shall not be liable to Recipient(s), for errors, inaccuracies or omissions in this report if such errors, inaccuracies or omissions were based upon information contained in the public records, or were known to exist by Recipient(s) on the date of delivery of this report to Recipient(s).

DisclosureSource liability for any claim, or claims, including but not limited to any claim for breach of contract or negligence, relating to or arising out of DisclosureSource's services shall not exceed, in the aggregate, the amount, if any, by which the purchase price paid for the property by the purchaser exceeds the market value of the property on the Preparation Date of this report.

DisclosureSource shall not be liable for any incidental or consequential damages suffered by Recipient(s).

Change in Information

DisclosureSource shall have no obligation to communicate to Recipient(s), or any other person, any acts, occurrences, circumstances or agreements occurring after the Preparation Date of this report, which render inaccurate anything contained in this report. DisclosureSource may at its sole discretion supplement this report.

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

TOXIC MOLD DISCLOSURE

(PURSUANT TO THE "TOXIC MOLD PROTECTION ACT OF 2001")

BACKGROUND INFORMATION / DISCUSSION:

California law (Civil Code Section 1102.6 Et Seq.) requires any seller, transferor, or lessor of residential, commercial or industrial property; or a public entity that owns, leases, or operates a building provide a written disclosure to prospective purchasers, prospective tenants, renters, or occupants if the seller, transferor, lessor or public entity has knowledge of mold conditions or in specified instances has reasonable cause to believe, that mold (visible or hidden) that exceeds permissible exposure limits is present that affects the unit or building.

The State Department of Health Services is designated as the lead agency for identifying; adopting, and determining permissible exposure limits to mold in indoor environments, mold identification and remediation efforts.

Publications providing information on toxic mold:

- *General Information Molds, Toxic Mold, and Indoor Air Quality*
- *Biological Pollutants in Your Home*
- *Mold in My Home: What Do I Do?*
- *Health Effects of Toxin-Producing Molds In California*
- *Stachybotrys Chartarum (atra) – A mold that may be found in water-damaged homes*
- *Fungi - and Indoor Air Quality*

Available to the public on the Internet, or at no cost from:

California Department of Health Services
Environmental Health Investigation Branch
1515 Clay St, Suite 1700 Telephone: (510) 622. 4500
Oakland, CA 94612 Web: www.dhs-iaq.ca.gov; www.cal-iaq.org/MOLD; www.dhs.ca.gov/ehib

COMMERCIAL / INDUSTRIAL ZONING DISCLOSURE

BACKGROUND INFORMATION / DISCUSSION:

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

Additional Source Information: California Code of Civil Procedure Section §731a.

“Whenever any city, city and county, or county shall have established zones or districts under authority of law wherein certain manufacturing or commercial or airport uses are expressly permitted, except in an action to abate a public nuisance brought in the name of the people of the State of California, no person or persons, firm or corporation shall be enjoined or restrained by the injunctive process from the reasonable and necessary operation in any such industrial or commercial zone or airport of any use expressly permitted therein, nor shall such use be deemed a nuisance without evidence of the employment of unnecessary and injurious methods of operation. Nothing in this act shall be deemed to apply to the regulation and working hours of canneries, fertilizing plants, refineries and other similar establishments whose operation may produce offensive odors.”

Findings:

Based on the current tax assessment roles, as of the date of this report, the company reports the following information affecting this property:

The Property IS Located Within One Mile of A Property Zoned For Commercial Or Industrial Use.

The Property IS NOT Located Within One Mile of A Property Zoned For Commercial Or Industrial Use.

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

MILITARY ORDNANCE LOCATION DISCLOSURE

BACKGROUND INFORMATION / DISCUSSION:

California Civil Code Section §1102.15 states "The seller of residential real property subject to this article who has actual knowledge of any former federal or state ordnance locations within the neighborhood area shall give written notice of that knowledge as soon as practicable before transfer of title."

For purposes of this section, "former federal or state ordnance locations" means an area identified by an agency or instrumentality of the federal or state government as an area once used for military training purposes, which may contain potentially explosive munitions.

"Neighborhood area" means within one mile of the residential real property.

DisclosureSource's liability for any claim, or claims, including but not limited to any claim for breach of contract or negligence, relating to or arising out of DisclosureSource's services shall not exceed, in the aggregate, the amount, if any, by which the purchase price paid for the property by the purchaser exceeds the market value of the property on the Preparation Date of this report.

DisclosureSource shall not be liable for any incidental or consequential damages suffered by the recipients.

IMPORTANT NOTE:

This Military Ordnance Location disclosure was obtained through the U.S. Army Corps of Engineers database of known Formerly Used Defense Sites in the state of California. The information provided herein represents all publicly available information of Formerly Used Defense Sites known to contain hazards.

FINDINGS:

According to the information available from The U. S. Army Corps of Engineers database of known Formerly Used Defense Sites in the State of California. On the preparation date of this report, the Company reports:

FORMER FEDERAL / STATE ORDNANCE LOCATIONS WITHIN YOUR COUNTY ARE DESCRIBED AS FOLLOWS:

City	Site Name	USACE District	Site Number
Unknown	BOMB MANUFACTURING/STORA GE PLT	SPL	J09CA1016
BORON	BORON AIR FORCE STATION Z-59	SPL	J09CA0248
CADIZ	CADIZ LAKE A TO G GUNNERY RGE	SPL	J09CA0253
CADIZ	CADIZ LAKE SONIC TAR #2	SPL	J09CA0256
CADIZ	CADIZ LAKE SONIC TAR #3	SPL	J09CA0257
CADIZ	CADIZ LAKE SONIC TAR #5	SPL	J09CA0259
CADIZ	CADIZ LAKE SONIC TARGET #1	SPL	J09CA0254
CADIZ	CADIZ LAKE SONIC TARGET #4	SPL	J09CA0258
CADIZ	CADIZ LAKE SONIC TARGET #6	SPL	J09CA0260
SAN BERNARDINO	CADIZ LAKE SONIC TARGET #9	SPL	J09CA0263
ESSEX	CAMP DAMBY (CAMA)	SPL	J09CA0275
NEEDLES	CAMP ESSEX	SPL	J09CA0278
NEEDLES	CAMP IBIS (CAMA)	SPL	J09CA0283
RICE	CAMP IRON MOUNTAIN	SPL	J09CA0284
Unknown	CAMP IRWIN	SPL	J09CA7190
Unknown	CHEMEHUEVI INDIAN RESERVATION	SPL	J09CA7330
CHINO	CHINO PRISONER OF WAR CAMP - ARMY	SPL	J09CA7356
Unknown	CLARKS PASS	SPL	J09CA7315
Unknown	CONDOR FIELD #3	SPL	J09CA7306
TWENTYNINE PALMS	CONDOR FIELD #4	SPL	J09CA7307
DAGGETT	DAGGETT ARMY AIRFIELD	SPL	J09CA0317
NEEDLES	FORT MOJAVE RESERVATION	SPL	J09CA7329
SAN BERNARDINO	FORWARD RELAY STATION 1-MS	SPL	J09CA0365
GOFFS	GOFFS CAMPSITE	SPL	J09CA0379
NEEDLES	IRON MTN & KILBECK HILLS	SPL	J09CA0048

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

MILITARY ORDNANCE LOCATION DISCLOSURE (continued)

City	Site Name	USACE District	Site Number
CHINA LAKE	NAVAL ORDNANCE TEST STATION	SPL	J09CA7210
NEEDLES	NEEDLES DIVISION CAMP	SPL	J09CA0505
NEEDLES	NEEDLES-LAND MGMT AREA	SPL	J09CA0071
ONTARIO	ONTARIO A.N.G. TRAINING SITE	SPL	J09CA0522
ONTARIO	ONTARIO ARMY AIRFIELD	SPL	J09CA0531
FONTANA	RIALTO AMMUNITION STORAGE POIT	SPL	J09CA0572
SAN BERNARDINO	SAN BER ENGR DEPOT	SPL	J09CA0584
SAN BERNARDINO	SAN BERNARDINO CWS PL	SPL	J09CA0587
SAN BERNARDINO	SAN BERNARDINO ENG SUB-DEPOT	SPL	J09CA0588
VICTORVILLE	VICTORVILLE AIR FORCE BASE	SPL	J09CA7003
BARSTOW	VICTORVILLE PBR N-2	SPL	J09CA0673
BARSTOW	VICTORVILLE PBR N-3	SPL	J09CA0674
VICTORVILLE	VICTORVILLE PBR NO 1	SPL	J09CA0675
BARSTOW	VICTORVILLE PBR NO 11	SPL	J09CA0677
BARSTOW	VICTORVILLE PBR NO 12	SPL	J09CA0678
VICTORVILLE	VICTORVILLE PBR NO 13	SPL	J09CA0679
BARSTOW	VICTORVILLE PBR NO 14	SPL	J09CA0680
BARSTOW	VICTORVILLE PBR NO 15	SPL	J09CA0681
BARSTOW	VICTORVILLE PBR NO 16	SPL	J09CA0682
VICTORVILLE	VICTORVILLE PBR NO 19	SPL	J09CA0685
VICTORVILLE	VICTORVILLE PBR NO 3	SPL	J09CA0688
VICTORVILLE	VICTORVILLE PBR NO 4	SPL	J09CA0689
VICTORVILLE	VICTORVILLE PBR NO 6	SPL	J09CA0691
VICTORVILLE	VICTORVILLE PBR NO 8	SPL	J09CA0693
BARSTOW	VICTORVILLE PBR NO 9	SPL	J09CA0694
VICTORVILLE	VICTORVILLE PBR NO. 2	SPL	J09CA0686
VICTORVILLE	VICTORVILLE PBR NO. 20	SPL	J09CA0687
VICTORVILLE	VICTORVILLE PBR NO. 7	SPL	J09CA0692
VICTORVILLE	VICTORVILLE PBR NO.10	SPL	J09CA0676
BARSTOW	VICTORVILLE PBR Y	SPL	J09CA0695
VICTORVILLE	VICTORVILLE PBR Z	SPL	J09CA7313

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

REGISTERED SEX OFFENDER DATABASE DISCLOSURE ALSO KNOWN AS "MEGAN'S LAW"

BACKGROUND INFORMATION / DISCUSSION:

For more than 50 years, California has required sex offenders to register with their local law enforcement agencies. However, information on the whereabouts of these sex offenders was not available to the public until the implementation of the Child Molester Identification Line in July 1995. The information available was further expanded by California's Megan's Law in 1996 (Chapter 908, Stats. of 1996).

The public may search a database, via the internet at: <http://www.meganslaw.ca.gov>, by a sex offender's specific name, obtain ZIP Code and city/county listings, obtain detailed personal profile information on each registrant, and use the map application to search your neighborhood or anywhere throughout the State to determine the specific location of any of those registrants on whom the law allows the State of California to display a home address.

Also, the Department of Justice, County Sheriff 's Departments, and municipal police departments of cities with a population of more than 200,000 shall make, and other law enforcement agencies may make, information available in the form of a CD-ROM or other electronic media. The CD-ROM is available for public viewing at select law enforcement agency offices.

DisclosureSource's liability for any claim, or claims, including but not limited to any claim for breach of contract or negligence, relating to or arising out of DisclosureSource's services shall not exceed, in the aggregate, the amount, if any, by which the purchase price paid for the property by the purchaser exceeds the market value of the property on the Preparation Date of this report.

DisclosureSource shall not be liable for any incidental or consequential damages suffered by the recipients.

LAW ENFORCEMENT AGENCIES PROVIDING INFORMATION AVAILABLE FOR PUBLIC VIEWING:

Agency: SAN BERNARDINO COUNTY SHERIFF' S DEPARTMENT

Address: 655 EAST THIRD STREET

Phone: (909) 387-3699

Hours of Operation: 8:00 AM TO 4:00 PM, MONDAY TO FRIDAY

Estimated Driving Distance: 17.9 Miles

For additional information, you may visit the State of California Attorney General Megan's Law Web Page: <http://www.meganslaw.ca.gov/>

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

AIRPORT INFLUENCE AREA DISCLOSURE

BACKGROUND INFORMATION / DISCUSSION:

Section 1103.4 of the California Civil Code requires notice if a property is encompassed within an airport influence area. According to Section 11010 of the Business and Professions Code, an airport influence area is defined as "an area in which current or future airport related noise, overflight, safety or airspace protection factors may significantly affect land uses or necessitate restrictions on those uses." Where publicly available at the time of the report, Disclosure Source® has utilized any and all airport influence area maps from county Airport Land Use Commissions (ALUC). Airport influence area maps can be found within a county Airport Land Use Comprehensive Plan, available to the public through most county planning departments.

According to airport influence maps available,:

The Property IS NOT located in an airport influence area.

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

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

AIRPORT PROXIMITY DISCLOSURE

BACKGROUND INFORMATION / DISCUSSION:

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

Industrial use identified in Section 731a includes but is not limited to airport uses.

Aircraft landing facilities disclosed herein consists of those owned by the United States Federal Government (Military aviation), publicly and private owned civil and commercial aviation facilities; except private landing facilities (restricted public access), glider ports, and facilities that have not been assigned a current location identifier by the federal Aviation Administration.

DisclosureSource's liability for any claim, or claims, including but not limited to any claim for breach of contract or negligence, relating to or arising out of DisclosureSource's services shall not exceed, in the aggregate, the amount, if any, by which the purchase price paid for the property by the purchaser exceeds the market value of the property on the Preparation Date of this report.

DisclosureSource shall not be liable for any incidental or consequential damages suffered by the recipients.

According to information available from the United States Department of Transportation (Bureau of Statistics) the Company reports the following aircraft landing facilities within the estimated distance of the subject property.

ID#	Airport Name	Airport Type	Distance
47CA	MOUNTAINS COMMUNITY HOSPITAL	HELIPORT	1.6 Miles
28L	MH 15 HEAPS PEAK USFS	HELIPORT	2.1 Miles
ONT	ONTARIO INTERNATIONAL AIRPORT	COMMERCIAL/CIVILIAN/MI	39.9 Miles
PSP	PALM SPRINGS INTERNATIONAL AIRPORT	COMMERCIAL/CIVILIAN	66.3 Miles

For further information regarding any of the public aircraft landing facilities identified within this disclosure, please contact the following agency:

Western Pacific Region Airports Division
15000 Aviation Blvd, #312
Hawthorne, CA 90261
(310) 725-3600

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

Special Assessment Brief

This Brief is preliminary in nature and is not intended as a substitute disclosure or as a final determination of the presence of Mello-Roos or 1915 Bond Act on the property.

Direct Assessments:

The property **WAS** **WAS NOT** assessed a Direct Assessment on the 2004 county tax bill. The property **MAY BE** subject to other Direct Assessments not appearing on the current year tax bill. For a complete review and a compliant substitute disclosure product, the Disclosure Source Special Assessment Report is recommended.

Other Special Assessment Financing (may or may not include accelerated foreclosure):

The property **WAS** **WAS NOT** assessed a Special Financing District assessment on the 2004 county tax bill. The property **MAY BE** subject to other Special Financing assessments not appearing on the current year tax bill. For a complete review and a compliant substitute disclosure product, the Disclosure Source Special Assessment Report is recommended.

1915 Act Bond Assessment Districts:

The property **WAS** **WAS NOT** assessed a 1915 Act Bond assessment on the 2004 county tax bill. The property **MAY BE** subject to other 1915 Act assessments not appearing on the current year tax bill. For a complete review and a compliant substitute disclosure product, the Disclosure Source Special Assessment Report is recommended.

Issuer	Description	Contact Phone	2002/03 Levy
--------	-------------	---------------	--------------

No 1915 Act Bond Assessment District(s).

Mello-Roos Community Facilities Districts:

The property **WAS** **WAS NOT** assessed a Mello-Roos tax on the 2004 county tax bill. The property **MAY BE** subject to other Mello-Roos taxes not appearing on the current year tax bill. For a complete review and a compliant substitute disclosure product, the Disclosure Source Special Assessment Report is recommended.

Issuer	Description	Contact Phone	2002/03 Levy
--------	-------------	---------------	--------------

No Mello-Roos Community Facilities District(s).

The special assessment information in this report is preliminary in nature and is designed to provide limited tax bill information to sellers and their agent(s). This brief only reflects direct assessments on the tax bill at a specific point in time, and changes made to the tax bill may not be reflected. Assessments not on the current tax bill will not be included and may be substantially different. **This Special Assessment Brief is not intended as a substitute disclosure under Civil Code 1102.6(b) and therefore is not to be considered a compliance product. A seller of real property that knows it is subject to a special assessment is required by law to make a good faith effort to obtain and deliver a Notice of Special Tax (pursuant to California Government Code Section 53340.2) or a Notice of Special Assessment (California Government Code Section 53754) to potential purchasers. For an additional fee Disclosure Source's Special Assessment Report is available as a substitute disclosure product that provides all required information in the statutory format.**

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

HABITAT SENSITIVITY AREA DISCLOSURE: RED-LEGGED FROG BACKGROUND INFORMATION / DISCUSSION:

The California Endangered Species Act, Fish and Game Code, section 2051, states that there are certain species of fish, wildlife and plants that are in danger of, or threatened with, extinction because their habitats are being threatened, destroyed or adversely modified.

According to the U.S. Fish and Wildlife Service, critical habitat areas of the California red-legged frog include suitable aquatic habitat, or permanent still or slow moving bodies of water such as ponds, backwaters within streams or creeks, marshes, and lagoons. Other critical habitat areas are upland areas within the watershed boundary that are close in proximity to the water's edge, and upland or wetland areas that connect suitable aquatic habitats. Habitat areas have been threatened through agriculture, urbanization, mining, overgrazing, recreation, timber harvesting, invasion of non-native plants, impoundments, water diversions, reservoir construction, degraded water quality, and introduced predators and competitors.

Legislation declares that landowner cooperation is essential for conservation on those lands that have been identified as a habitat for endangered or threatened species. According to Section 2052.1 of the Fish and Game Code, if a person needs to address mitigation measures in relation to a particular impact on a threatened species, then those measures will be roughly proportional to the impact that the person has on those species. The required measures will be capable of successful implementation, and will maintain the person's objectives as much as possible in relation to section codes.

For the purposes of this report, "sensitivity areas" will include historical documentation of actual sightings, breeding areas, population locations as well as current and critical habitats. This document is to notify the buyer whether the Subject Property lies within an area known to be important to the conservation of the California Red-Legged Frog, which is listed as a state and/or federally threatened species.

Disclosure Source recommends the buyer contact the California Department of Fish & Game to ascertain what considerations might be involved as a result of being in this particular habitat sensitive area. For further information regarding the red-legged frog habitat sensitive area, please contact the Dept. of Fish & Game at 916-322-2493, or at www.dfg.ca.gov/whdab.

FINDINGS:

According to maps in the California Natural Diversity Database of the California Department of Fish and Game, and Critical Habitat Coverage maps from the U.S. Fish and Wildlife Service:

- The property IS located within a California Red-Legged Frog habitat sensitive area.
- The property IS NOT located within a California Red-Legged Frog habitat sensitive area.

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

POSSIBLE NATURALLY OCCURRING ASBESTOS DISCLOSURE

BACKGROUND INFORMATION / DISCUSSION:

Asbestos is the common name for a group of silicate minerals that are made of thin, strong fibers. It occurs naturally in certain geologic settings in California, most commonly in ultrabasic and ultramafic rock, including serpentine rock, and along associated faults. Chrysotile is the most common type of asbestos, and is often contained in serpentine rock. Serpentine rock is a typically grayish-green to bluish-black color rock that may be shiny in appearance, and is commonly found in the Sierra foothills, the Klamath Mountains, and Coast Ranges. While asbestos formation is more likely in the formations of these rocks, its presence is not certain.

Because asbestos is a mineral, asbestos fibers are generally stable in the environment. The fibers will not evaporate in the air. Some naturally occurring asbestos can become friable, or crushed into a powder. This may occur when vehicles drive over unpaved roads or driveways that are surfaced with ultrabasic, ultramafic or serpentine rock, when land is graded for building purposes, or at quarrying operations. Weathering and erosion may also naturally release asbestos. Friable asbestos can become suspended in the air, and under these conditions, asbestos fibers represent a significant risk to human health. Asbestos is a known carcinogen, and inhalation of asbestos may result in the development of lung cancer.

DisclosureSource has obtained geologic maps from the California Department of Conservation, Division of Mines and Geology, which detail areas within the state that contain naturally occurring ultrabasic and ultramafic rocks. Those properties whose underlying geologic substructure contains these types of rock, with their higher potential for asbestos content, have a higher chance of asbestos exposure, and thus may be in a potential asbestos hazard area.

FINDINGS:

According to Geologic Maps from the California Department of Conservation, Division of Mines and Geology, that outline areas containing ultrabasic and ultramafic rocks, which may have naturally occurring asbestos:

- The property IS located in a potential asbestos hazard area.
- The property IS NOT located in a potential asbestos hazard area.

Supplemental Disclosures

Subject Property:

Pin Oak Dr, Cedar Glen, CA 92321 APN: 0330-146-02-0000

HABITAT SENSITIVITY AREA DISCLOSURE: CALIFORNIA TIGER SALAMANDER

BACKGROUND INFORMATION / DISCUSSION:

The California Endangered Species Act, Fish and Game Code, section 2051, states that there are certain species of fish, wildlife and plants that are in danger of, or threatened with, extinction because their habitats are being threatened, destroyed or adversely modified. The main provisions of this act generally parallel that of the Federal Endangered Species Act.

The California Tiger Salamander (*Ambystoma californiense*) has been listed by the U.S. Fish & Wildlife Service as threatened. As per this agency and the California Fish and Game Code section 2067, a "threatened species" is one that is likely to become an endangered species in the foreseeable future in the absence of... special protection and management efforts...."

According to the U.S. Fish and Wildlife Service, critical habitat areas of the California Tiger Salamander include "grasslands and low (under 1500 foot) foothill regions where lowland aquatic sites are available for breeding." They prefer temporary pools or ponds that are similar, such as stock ponds that are allowed to go dry. They are restricted to large vernal pools (wetlands that fill during fall and winter rains), vernal playas and large sag ponds. They also require the burrows of mammals where they can enter a dormant state. The decline of this salamander population is primarily due to the "loss and fragmentation of habitat from human activities and the encroachment of nonnative predators."

Legislation declares that landowner cooperation is essential for conservation on those lands that have been identified as a habitat for endangered or threatened species. According to Section 2052.1 of the Fish and Game Code, if a person needs to address mitigation measures in relation to a particular impact on a threatened species, then those measures will be roughly proportional to the impact that the person has on those species. The required measures will be capable of successful implementation, and will maintain the person's objectives as much as possible in relation to section codes.

For the purposes of this report, "sensitivity areas" will include historical documentation of actual sightings, breeding areas, population locations as well as current and critical habitats. This document is to notify the buyer whether the Subject Property lies within an area known to be important to the conservation of the California Tiger Salamander, which is listed as a state and/or federally threatened species.

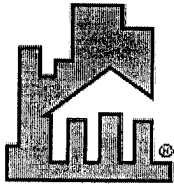
Disclosure Source recommends the buyer contact the California Department of Fish & Game to ascertain what considerations might be involved as a result of being in this particular habitat sensitive area. For further information regarding the California Tiger Salamander habitat sensitive area, please contact the Dept. of Fish & Game at 916-322-2493, or at <http://www.dfg.ca.gov/whdab>

FINDINGS:

According to maps in the California Natural Diversity Database of the California Department of Fish and Game, and Critical Habitat Coverage maps from the U.S. Fish and Wildlife Service:

_____ The property IS located within a California Tiger Salamander habitat sensitive area.

The property IS NOT located within a California Tiger Salamander habitat sensitive area.



DISCLOSURE SOURCE[®]

A FIDELITY NATIONAL FINANCIAL COMPANY

Special Tax and Assessment Disclosure

Customer Support: 800.880.9123
Escrow Number: 2039884
Order Number: 081005-00312
Dated as of: 8/10/2005

Deliver To

Kevin H. McGowan
Arista Verde LLC
12211 Idaho Ave Apt 305
Los Angeles, CA 90025

Recipient

Ruth Lausevic

Subject Property

Pin Oak Dr
Cedar Glen, CA 92321

Assessor's Parcel Number

0330-146-02-0000

THE INFORMATION CONTAINED IN THIS REPORT IS INTENDED FOR THE EXCLUSIVE BENEFIT AND USE OF THE RECIPIENT(S). NO PERSON OTHER THAN THE RECIPIENT(S) SHOULD RELY UPON, REFER TO, OR USE THIS REPORT, OR ANY INFORMATION CONTAINED WITHIN THIS REPORT, FOR ANY PURPOSE. THE RECIPIENT(S) SHOULD CAREFULLY READ THE EXPLANATION OF SERVICES, AND, THE CONDITIONS AND STIPULATIONS CONTAINED IN THIS REPORT.

NO RECIPIENT MAY RELY ON THIS REPORT UNLESS FULL PAYMENT FOR IT IS MADE

TABLE OF CONTENTS

PAGE

Notice of Special Tax and Assessment w/Signature Page	2
Tax Summary Page	4
Information on Tax Assessments	5
Explanation of Services, Limitations and Disclaimers	6

NOTICE OF SPECIAL TAX AND ASSESSMENT

1. MELLO-ROOS COMMUNITY FACILITIES DISTRICTS

Mello-Roos Community Facilities Districts ("CFD") provide a method of financing certain public capital facilities and services especially in developing areas and areas undergoing rehabilitation. Public improvements funded by Mello-Roos CFDs may include, but are not limited to, roads, schools, water, sewer and storm drain facilities. Public services funded by Mello-Roos CFDs may include, but are not limited to, police and fire protection services, recreation program services, and flood or storm protection services. Mello-Roos CFDs commonly fund the construction of public improvements through the issuance of bonds. A special tax lien is placed on property within the district for the annual payment of principal and interest as well as administrative expenses. Typically, the annual special tax continues until the bonds are repaid, or until special taxes are no longer needed. In most instances but not all, the special tax is collected with regular property taxes.

This property is within the Mello-Roos CFD(s) listed below and is subject to a special tax, that will appear on your property tax bill. This special tax is in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. This special tax may not be imposed on all parcels within the city or county where the property is located. This special tax is used to provide public facilities or services that are likely to particularly benefit the property.

The maximum tax rate, the maximum tax rate escalator, and the authorized facilities which are being paid for by the special taxes and by the money received from the sale of bonds which are being repaid by the special taxes, and any authorized services are indicated below. These facilities may not yet have all been constructed or acquired and it is possible that some may never be constructed or acquired.

THIS PROPERTY IS NOT SUBJECT TO MELLO-ROOS COMMUNITY FACILITIES DISTRICT SPECIAL TAX LIEN(S).

2. 1915 BOND ACT ASSESSMENT DISTRICTS

1915 Bond Act Assessment Districts ("AD") provide a method of financing certain public capital facilities. Public improvements funded by 1915 Bond Act Assessment Districts may include, but are not limited to, roads, sewer, water and storm drain systems, and street lighting. 1915 Bond Act Assessment Districts commonly fund the construction of public improvements through the issuance of bonds. A special assessment lien is placed on property within the Assessment District. The lien amount is calculated according to the specific benefit that an individual property receives from the improvements and is amortized over a period of years. 1915 Bond Act Assessments Districts can be prepaid at any time. In most instances but not all, the assessment is collected with regular property taxes.

This property is within the 1915 Bond Act Assessment District(s) named below and is subject to annual assessment installments levied by the assessment district that will appear on the property tax bill. The annual assessments are in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. The assessment district(s) has issued bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within the assessment district. The bonds will be repaid from annual assessment installments on property within the assessment district. The special assessment is used to provide public facilities that are likely to particularly benefit the property.

The annual assessment installment and public facilities that are being paid for by the money received from the sale of bonds that are being repaid by the assessments are indicated below. These facilities may not yet have all been constructed or acquired and it is possible that some may never be constructed or acquired.

THIS PROPERTY IS NOT SUBJECT TO IMPROVEMENT BOND ACT OF 1915 SPECIAL ASSESSMENT LIEN(S).

NOTICE OF SPECIAL TAX AND ASSESSMENT (continued)

MELLO-ROOS COMMUNITY FACILITIES DISTRICT SPECIAL TAXES AND THE 1915 BOND ACT ASSESSMENT DISTRICT ANNUAL ASSESSMENT INSTALLMENTS ARE HEREINAFTER COLLECTIVELY REFERRED TO AS "SPECIAL LIENS." IF SPECIAL LIENS DESCRIBED ABOVE ARE NOT PAID WHEN DUE, FORECLOSURE PROCEEDINGS MAY BE INITIATED AT ANY TIME, AFTER PROPERTY TAXES BECOME DELINQUENT. YOUR PROPERTY MAY BE SOLD FOR THE DELINQUENT AMOUNTS, EARLIER THAN WITH REGULAR PROPERTY TAXES.

YOU SHOULD TAKE THE SPECIAL LIENS DESCRIBED ABOVE AND THE BENEFITS RECEIVED FROM THE PUBLIC FACILITIES AND PUBLIC SERVICES (IF APPLICABLE) FOR WHICH IT PAYS INTO ACCOUNT IN DECIDING WHETHER TO BUY THIS PROPERTY.

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

YOU MAY OBTAIN ADDITIONAL INFORMATION OR DOCUMENTATION REGARDING THE CREATION OF THE DISTRICT(S) LISTED ABOVE, AND MORE PRECISELY HOW THE CHARGES ARE COMPUTED, AND HOW THE PROCEEDS WILL BE USED BY CALLING THE CONTACT PHONE NUMBER LISTED ABOVE. THERE MAY BE A CHARGE FOR THE DOCUMENTS NOT TO EXCEED THE ESTIMATED REASONABLE COST OF PROVIDING THE DOCUMENTS.

BUYER'S CONFIRMATION OF RECEIPT:

I (WE) ACKNOWLEDGE THAT I (WE) HAVE RECEIVED A COPY OF THIS NOTICE. I (WE) UNDERSTAND THAT I (WE) MAY TERMINATE THE CONTRACT TO PURCHASE OR DEPOSIT RECEIPT AFTER RECEIVING THIS NOTICE FROM THE OWNER OR AGENT SELLING THE PROPERTY. THE CONTRACT MAY BE TERMINATED WITHIN THREE DAYS IF THE NOTICE WAS RECEIVED IN PERSON OR WITHIN FIVE DAYS AFTER IT WAS DEPOSITED IN THE MAIL BY GIVING WRITTEN NOTICE OF THAT TERMINATION TO THE OWNER OR AGENT SELLING THE PROPERTY.

Date: 8-10-05 Transferee's Signature (Buyer): ARISTA VERDE LLC
[Signature]
Date: _____ Transferee's Signature (Buyer): KEVIN H. MCGOWAN, MEMBER

TAX SUMMARY PAGE

BASIC PROP 13 LEVY:

Agency/Contact	District/Benefit	Levy Amt
County of San Bernardino Camille Jackson - (800) 442-2283	All Ad Valorem Charges General	\$32.73

VOTER APPROVED AD VALOREM TAXES:

Agency/Contact	District/Benefit	Levy Amt

MELLO-ROOS COMMUNITY FACILITIES DISTRICT(S):

Agency/Contact	District/Benefit	Levy Amt

IMPROVEMENT BOND ACT OF 1915 ASSESSMENT DISTRICT(S):

Agency/Contact	District/Benefit	Levy Amt

OTHER DIRECT ASSESSMENT:

Agency/Contact	District/Benefit	Levy Amt
San Bernardino Mountains Community Hospital District Charlene Witworth - (909) 336-3651	San Bernardino Mountains Community Hospital Hospital	\$40.30
Lake Arrowhead Community Services District Cyndi - (909) 337-8555	Community Services District Sewer Availability Community Services	\$30.30
Crestline Lake Arrowhead Water Agency Roxane Holmes - (909) 338-1779	Crestline Lake Arrowhead Water Standby Water & Sewer Service	\$30.00
County of San Bernardino Special Districts Department Lisa Manning - (909) 387-5940	County Service Area No. 70 Zone PM-1 Paramedic Services (Lake Arrowhead) County Services	\$17.30
Rim of The World Park District Laura Dyberg - (909) 337-0855	Rim of the World Park Assessment Parks & Recreation	\$10.30
County of San Bernardino Camille Jackson - (800) 442-2283	Vector Control - Mountain/desert Region VECTOR CONTROL	\$2.30

Information on Tax Assessments

MELLO-ROOS Community Facilities Districts:

Mello-Roos Community Facilities Districts provide an alternate method of financing certain public capital facilities and services especially in developing areas and areas undergoing rehabilitation. Improvements and services funded by Mello-Roos districts may include, but are not limited to police and fire protection services, new school construction, backbone infrastructure improvements, new or expanded water and sewer systems, recreation program services and flood or storm protection services. When construction of facilities is involved, in most cases, the money required to provide initial funding for the improvements is obtained through the issuance of municipal bonds. A lien is placed on each property within the district for the annual payment of principal and interest. The annual special tax continues until the bond is paid, or until revenues are no longer needed. Mello-Roos tax amounts may vary (increase), or the term of the payments may be extended, especially if additional bonds are issued. These special taxes are usually collected with regular property tax installments.

If Mello-Roos Community Facilities District special tax installments are not paid on time, the issuer has the right to initiate foreclosure proceedings on the property and it may be sold to satisfy the obligation. By statute, the special tax lien is made superior in priority to private liens such as mortgages and deeds of trust, even if the aforementioned preceded the creation of the assessment. Unlike property tax sales initiated by a County Tax Collector (which require a five year waiting period) special tax lien foreclosure may be initiated quickly if payments become delinquent. This can occur as soon as a few months after a property tax bill becomes delinquent.

1915 Bond Act Improvements:

Assessment districts are formed to provide financing for public capital improvements and infrastructure such as roads, water systems, street lighting, etc. The money required to fund the improvement is obtained in advance through the issuance of municipal bonds pursuant to the Improvement Bond Act of 1915. A special assessment lien is placed on the property within the assessment district. The lien amount is calculated according to the specific benefit that individual property receives from the improvement and is amortized over a period of years. 1915 Bond Act assessments can be prepaid at any time. In most instances but not all, the assessment is placed on the secured tax roll and is collected with county real property taxes.

If 1915 Bond Act special assessment installments are not paid on time, the issuer has the right to initiate foreclosure proceedings on the property and it may be sold to satisfy the obligation. By statute, the lien of a special assessment is made superior in priority to private liens such as mortgages and deeds of trust, even if the aforementioned preceded the creation of the assessment. Unlike property tax sales initiated by a County Tax Collector (which require a five year waiting period) special assessment foreclosure may be initiated quickly if payments become delinquent. This can occur as soon as a few months after a property tax bill becomes delinquent.

Basic Levy:

The Basic Levy is the primary property tax charge levied by the County on behalf of government agencies. As a result of the passage of Proposition 13 in 1978 (Article XIII A of the California State Constitution), the basic levy is limited to 1% of the property's net assessed value. Proceeds from this tax are divided by the County and used to help fund nearly every function the state, county, city and other local municipal agencies provide. All other charges that appear on the tax bill vary by district and county.

Voter Approved Debt:

Voter Approved Debt are taxes levied on a parcel that is calculated based on the assessed value of the parcel. Taxes may include those taxes that were approved by voters before that passage of Proposition 13 in 1978, General Obligation Bonds or Special Taxes that are based on assessed value as opposed to some other method. Taxes that were established before 1978 may be used for various services and improvements and may or may not be associated with public indebtedness (the issuance of municipal bonds). A General Obligation Bond is a municipal bond that may be issued by a city, county or school district in order to finance the acquisition and construction of public capital facilities and real property. Equipment purchases and the cost of operation and maintenance cannot be financed with a General Obligation Bond. Special Taxes are created pursuant to various California Code Sections and require 2/3 majority approval of the qualified voters for approval. A special tax is may be formed by a local government (a city, county, special district, etc...) in order to finance specific facilities and/or services and cannot be used for general purposes.

Other Direct Assessments:

In addition to the items discussed in the previous sections, real property may be subject to Other Direct Assessments. These assessments may appear on the annual property tax bill. Increases or modifications to these assessments are subject to public notice/hearing requirements (as governed by law) and require a vote by the legal property owners or the registered voters in the area. Additional information is available by contacting the agency actually levying the assessment.

EXPLANATION OF SERVICES, LIMITATIONS & DISCLAIMERS

The purpose of the DisclosureSource® Special Assessment Report is to assist the seller(s), the seller's agent(s) and the agent's broker (hereafter referred to as "Recipients") comply with California Civil Code section 1102.6 (b)

Civil Code section 1102.6(b) requires a seller of certain real property to determine from local agencies whether the property is subject to a Mello-Roos Community Facilities Act Special Tax, or a Fixed Lien Assessment collected in installments to secure bonds issued pursuant to the Improvement Bond Act of 1915, and if so, deliver notice of such special tax assessments to the prospective buyer.

Services Provided by DisclosureSource.

When preparing this Special Assessment Report, DisclosureSource reviewed current year county records and other official and third party resources to determine whether, according to those records the property is subject to a Special Tax pursuant to the Mello-Roos Community Facilities Act or a Special Assessment pursuant to the Improvement Bond Act of 1915. This review is based on items appearing on the current tax year's tax bill. Items not yet levied on the tax bill, items not appearing on the current tax bill because the current owner has applied for an available exemption, and items removed from the current tax bill due to a pending judicial foreclosure suit may not be reflected on this report.

DisclosureSource then prepared the Consolidated Substitute Notice of Assessments and Special Taxes attached to this DisclosureSource Special Assessment Report, which is subject to the explanation of services, limitations and disclaimers herein. The Consolidated Notice of Assessments and Special Taxes complies with specific requirements of Civil Code section 1102.6(b)

DisclosureSource has acted as an expert in utilizing its experience in locating, reviewing, and reporting the contents of the annual current property tax records and other official and third party resources, by assessor's parcel number and the resources referred to above. DisclosureSource has not verified the accuracy of these records and resources, and does not insure, warrant or guarantee that they are accurate and up to date. DisclosureSource is not acting as an insurance company in preparing this report for Recipient(s) and this report is not an insurance policy, thus this report is not a substitute for a title report or title insurance and may not be relied upon as such.

This report is applicable to residential property only with four dwelling units or less. This report may not be relied upon for commercial or industrial property or for multi-family properties of more than 4 dwelling units.

Notice to Buyer

DisclosureSource has prepared the attached Consolidated Substitute Notice of Assessments and Special Taxes as a substitute disclosure for the benefit of all Recipient(s). For the purposes of this Special Assessment Report and the Substitute Notice of Assessments and Special Taxes the Buyer of the property is deemed by DisclosureSource to be a Recipient who is subject to the explanation of services, limitations and disclaimers herein, and by signing the Consolidated Substitute Notice of Assessments and Special Taxes, the Buyer expressly agrees to be bound by the limitations and disclaimers herein.

If for any reason Buyer does not intend to be bound by the limitations and disclaimers herein, or otherwise finds either this Special Assessment Report or the Consolidated Substitute Notice of Assessments and Special Taxes unacceptable, Buyer should immediately contact Seller, Seller's agent and DisclosureSource.

Disclaimer Notice to Third Parties

The information contained in this Special Assessment Report and the Consolidated Substitute Notice of Assessments and Special Taxes is intended for the exclusive benefit and use of Recipient(s). DisclosureSource expressly disclaims all liability, including liability for breach of contract and negligence, to persons other than Recipient(s).

Limitation of Liability to Recipient(s)

DisclosureSource shall not be liable to Recipient(s), for errors, inaccuracies or omissions in this Special Assessment Report and the Consolidated Substitute Notice of Assessments and Special Taxes if such errors, inaccuracies or omissions were based upon information contained in the annual current rolls of assessment installment obligations and special tax levy obligations, by assessor's parcel number and/or the resources referred to above, or were known to exist by any Recipient on the date of delivery of this report to Recipient(s).

DisclosureSource's liability for any claim, or claims, including but not limited to any claim for breach of contract or negligence, relating to or arising out of this Special Assessment Report or the Consolidated Substitute Notice of Assessments and Special Taxes shall not exceed, in the aggregate, the amount, if any, by which the purchase price paid for the property by the buyer exceeds the market value of the property on the Date of this report.

DisclosureSource shall not be liable for any incidental or consequential damages suffered by Recipient(s).

Change in Information

DisclosureSource shall have no obligation to communicate to Recipient(s), or any other person, any acts, occurrences, circumstances or agreements occurring after the Date of this report, which render inaccurate anything contained in this Special Assessment Report and/or the Consolidated Substitute Notice of Assessments and Special Taxes. DisclosureSource may at its sole discretion supplement the Special Assessment Report and/or the Consolidated Substitute Notice of Assessments and Special Taxes. While this report contains data gathered from what is believed to be reliable sources, the amount of the levy and end year may be subject to change in the future.