



ADDENDUM TO REAL ESTATE CONTRACT
THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT — READ IT CAREFULLY

10146 Balboa Blvd., Granada Hills, California 91344

Bus: (818) 363-6116 Fax: (818) 360-1770

The following terms are hereby incorporated in, and made a part of the California Residential Purchase Agreement and Joint Escrow Instructions on the property known as _____, in which _____ is referred to as Buyer and _____ is referred to as Seller.

1) Permits: Broker(s) make no representation that any or all additions or modifications to subject property have been made with permits and have certificates of occupancy (C of Os). Broker(s) make no representation that the property is or is not built to code. Should subject property have additions and/or modifications built without permits and/or C of Os, they may not have been done to code or may not be permitted for current usage. If discovered by a governmental agency, Buyer understands said agency may require improvements to be brought up to code or to be removed. Buyer is strongly advised to investigate these matters in conjunction with Buyer's physical investigation contingency period.

2) Roof Inspections: Buyer herein acknowledges that Broker(s) are not licensed roofers. Roofs may leak for various reasons, including but not limited to, damage, age, disrepair, wind, rain, sun and other elements, improper maintenance or construction. Buyer is advised to obtain a professional roof inspection, at Buyer's expense, in conjunction with Buyer's physical investigation contingency period.

3) Airport Noise: Buyer is aware of the existence and proximity of both the Van Nuys Municipal Airport and (Bob Hope) Burbank/Glendale/Pasadena Airport to the subject property. Buyer is aware that airport noise exists throughout much of the San Fernando Valley. Both (Bob Hope) Burbank/Glendale/Pasadena Airport and Van Nuys Municipal Airport are considering expansion. Buyer is aware that (Bob Hope) Burbank/Glendale/Pasadena Airport Authority has submitted a Noise Exposure Map for the area surrounding this airport. The map constitutes notice to prospective purchasers of property surrounding the airport noise attributable to the airport. For more information regarding these matters, Buyer is advised to contact the Burbank/Glendale/Pasadena Airport Authority at (818) 785-8838.

4) Valley Light Rail Transit Project: Buyer is informed the subject property may be situated in or near one of the areas in which the Metropolitan Transit Authority (MTA) is contemplating the location of a public rail transportation line. Seller and Broker(s) are unable to advise Buyer regarding the locations of the rail transit system already approved or those extensions of the system still being studied. Any such rail line could adversely or beneficially affect the value or desirability of the subject property. Buyer is advised that, as a result of being near a potential rail line, the property may be subject to a change in real property taxes. Buyer is advised to contact the MTA at (213) 620 -7245 or (213) 808-5465 for further information.

5) Earthquake Disclosure: The earthquake which struck the greater Los Angeles area in January 1994 damaged or destroyed many homes and other structures. Damage caused by an earthquake may not be discovered by Buyer or Broker's visual inspection. Thus, inspection by licensed, qualified professionals is strongly recommended to determine the structural integrity and safety of all improvements **on the property**. Buyer is advised that some lenders may require inspection by a structural engineer or other expert prior to funding a loan. If the property is a condominium (or a unit in some other common interest subdivision), Buyer is advised to contact the homeowners' association about earthquake repairs and retrofit work and the possibility of an increased or special assessment to defray the costs of earthquake repairs or retrofit work. In light of the potential for more earthquakes in the future, Buyer (and Seller who agrees to carry-back financing) should consider obtaining earthquake insurance. Buyer and Seller acknowledge that Broker(s) are not experts regarding the matters which are the subject of this Earthquake Disclosure. Broker(s) strongly recommend that Buyer and Seller consult with other professional advisors as appropriate.

6) Compliance Disclosure: The parties to this transaction who are represented by Park Regency shall pay a Compliance Disclosure Fee of \$395.00 to Park Regency at the close of escrow for processing and complying with all government mandated disclosures including but not limited to the following: Agency Disclosure, Transfer Disclosure, Guide to Earthquake Safety & Environmental Hazards Disclosure, Lead Based Paint Disclosure, Megan's Law Sex Offender's Database Disclosure, Los Angeles City Earthquake Gas Shut-Off Valve Disclosure, Ultra Low Flow Disclosure, Seller's Affidavit of Non-Foreign Status Disclosure, Smoke Detector Disclosure, and Water Heater Statement of Compliance, etc.

7) Water Reservoir Improvement: Buyer is aware that the Los Angeles Department of Water and Power (DWP) is reviewing various construction alternatives designed to maintain and improve the quality of Los Angeles public drinking water contained in the following uncovered water reservoirs in the Valley: Encino (Santa Monica Mountains) and Los Angeles (Mission Hills). The DWP is currently constructing a cover over the Lower Van Norman Bypass (Mission Hills) reservoir. Broker(s) are unable to advise or express an opinion regarding what alternative, if any, will be selected by the DWP for each of these reservoirs. For more information on DWP's water quality improvement proposals, Buyer is advised to contact the DWP at (213) 367-4187.

8) Boeing Rocketdyne Santa Susana Facility: Buyer is aware that there is a Rocketdyne testing facility located in the Santa Susana Mountains between Chatsworth and Simi Valley. The U.S. Department of Energy has indicated that there are some radioactive materials and industrial solvents on this site, which are in the process of clean up. A 1997 UCLA study report indicated that workers exposed to radiation at the Rocketdyne facility might be at an increased health risk. The report recommends that the feasibility of a study of the neighboring community be reviewed. A lawsuit has been filed alleging that the Rocketdyne facility has caused environmental contamination beyond the site. For further information, Buyer should contact the U.S. Department of Energy, San Francisco, California or Buyer's State or Federal Legislator.

Buyer and Seller acknowledge receipt of this page, which constitutes Page 1 of 7 pages of this Addendum

Buyer's Initials _____ Seller's initials _____

Property Address: _____

9) Landfill Disclosure: Buyer acknowledges that they have been advised that the property is in the vicinity of The Sunshine Canyon or Lopez landfill sites. Buyer agrees to make his/her own investigation of this site and its effects, if any, on the value and the Buyer's use and enjoyment of the subject property. Sunshine Canyon Landfill Expansion: Buyer is advised that there is a proposal to extend the Sunshine Canyon Landfill that is located in the Northwest San Fernando Valley above Granada Hills. Buyer is advised to make his or her own independent investigation of the landfill and the proximity to the subject property. For more information contact Browning-Ferris Industries of California at (818) 790-5410.

10) Future Development, Land Use, Neighborhood Conditions: Buyer is aware that the property may be affected by future development of property in the neighborhood or surrounding areas, that the property may be subject to building and development restrictions and conditions, including without limitation, limitations on hillside development and alteration of hillside development and alteration of hillside properties, and agrees to investigate such restrictions and conditions with appropriate government agencies. As a part of the inspection conducted by Buyer, Buyer agrees to fully investigate neighborhood and other conditions affecting the property including, without limitation, whether or not the property may be designated an historical landmark or may be located within proximity of hospitals and fire protection services, and any other conditions which may affect the use or enjoyment of the property by Buyer. Buyer agrees that Seller and Broker(s) make no representation as to the preservation of existing/future views, and the present/future views may be affected by future development/ construction/alteration of neighboring property, the growth of trees, shrubs and vegetation and other impairments. Buyer is also advised that the traffic in the neighborhood may be heavier during commute hours especially on streets considered "cut through" streets. It is recommended that Buyer thoroughly investigate and familiarize himself/herself with the traffic patterns in the area, as well as the noise generated by such traffic. Buyer is advised to consult with appropriate government agencies and shall rely solely upon Buyer's own investigation to determine neighborhood conditions, future development or planning and its potential impact on the property.

Universal Studios Expansion: Buyer is aware that Universal Studios Inc. plans to expand its office, studio, hotel, commercial and entertainment space at Universal City, adding to the current 5.4 million square feet ("Project"). Broker(s) are unable to advise Buyer regarding the details of the proposed Project. For more information regarding the Project, please contact Universal Studios Inc. at (818) 777-1000 and ask about the "Master Plan Expansion Project."

Porter Ranch Development: Buyer is informed, and acknowledges, that according to the Los Angeles County Master Plan, there is a plan to build future residential and commercial development in the area north of Rinaldi Street between Tampa and Canoga Avenue. This development will most likely increase the population density and traffic flow patterns in the surrounding areas. Buyer should consult the Los Angeles County Master Plan for further details.

11) Waste Disposal System: Buyer and Seller are aware that Broker(s) makes no implied or express warranty as to the existence and/or condition of the waste disposal system for the subject property. Buyer and Seller are further advised that the existence of a Sewer Permit does not guarantee that the property is connected to sewer. Buyer is advised to make his/her own independent investigation as to the type and adequacy of the waste disposal system at subject property.

12) Rent Control: Buyer is aware the subject property may be located in an area subject to a rent control ordinance. Buyer's ability to increase rent, evict tenants, and other related matters is restricted by said ordinance. Buyer may also be required to pay monetary relocation assistance to any tenants who are evicted by Buyer for any reason. This relocation assistance may amount to several thousand dollars based upon the category of tenant involved. Broker(s) strongly recommend Buyer contact the local government entity responsible for administering the rent control ordinance to determine the effect of the local ordinance on the subject property.

13) Flooring Disclosure: Neither Seller nor Broker make any representation or guarantee as to the type or condition of the flooring located underneath existing carpeting or other floor covering, except as may be noted in writing by Seller. Buyer is advised to do his own independent investigation of the flooring during Buyer's physical inspection period, if this is an important factor to Buyer. Buyer understands that any investigation of the flooring must be done in a manner that will not damage the existing floor covering. Seller is required to disclose any adverse conditions regarding flooring underneath the existing floor covering that are known to Seller; however, Buyer understands that Seller is NOT responsible for damaged flooring underneath existing floor covering unless Seller was aware of such condition and failed to disclose this to Buyer. If Buyer is informed that "hardwood floors" exist at Property, Buyer understands that this is NOT a representation guarantee that all flooring underneath existing carpeting is hardwood and is not a representation or guarantee as to the condition of said hardwood.

14) Geological, Soil and Drainage Inspection: Brokers strongly recommend Buyer have a licensed geologist/soil expert inspect the subject property within the time frame indicated on the original deposit receipt and purchase contract, particularly because of Southern California's known expansive soil conditions. Buyer acknowledges many properties located in Southern California are susceptible to settling, slippage, earthquake and other movement which may cause damage, and subject property may be constructed on filled or improperly compacted soil, and may be subject to inadequate drainage, underground water or other such conditions. Buyer acknowledges abandoned and active oil and gas fields and toxic waste sites are located throughout Southern California and may be located at or in the vicinity of subject property. Buyer shall rely on his/her own independent investigation and inspection of the geological, soil, and drainage condition of the property, and not upon any representations of the Seller or Broker(s) in this regard. Broker(s) are in no way recommending Buyer waive the geological inspection of the property, especially in hillside areas, as Broker(s) believe such an inspection is critical in determining the geological soils condition of subject property.

15) (Check if applicable) Loan Modification (Short Payoff): This agreement is contingent upon Seller's receipt of written agreement from existing lender(s) by no later than _____ to reduce its/their loan balance(s) (i.e., to accept a "Short Payoff") by an amount sufficient to permit the proceeds from the sale of the property (without additional funds from the Seller) to pay the existing loans, brokerage commission and Seller's closing costs, expenses, prorations, liens and other obligations required by this Agreement. If no agreement is obtained within said time, this agreement shall be terminated, unless the parties mutually agree to extend the time from obtaining such agreement. Unless and until said acceptance by lender is received in writing by Seller, Buyer acknowledges that the Seller may keep the property on the market for sale. If subsequent offers are received, Seller may submit such offers to the lender for review and approval. Seller is advised to seek advice from an accountant/attorney regarding possible tax and credit consequences.

Buyer and Seller acknowledge receipt of this page, which constitutes Page 2 of 7 pages of this Addendum Buyer's Initials _____ Seller's initials _____

Property Address: _____

16) Rented Equipment: If Seller has a Water Softening Device, Burglar Alarm System, Solar System, or Satellite Dish installed **on the property, Buyer** to investigate with Seller the status of the ownership or rental of these units. Units rented to the Seller will not be transferred to the Buyer without Buyer making a separate rental agreement with the various rental companies involved.

17) Information From Lender: Listing agent is authorized to contact Buyer's lender directly regarding process of loan application. Selling agent will provide listing agent with name and telephone number of lender.

18) California Fair Plan Insurance: Buyer is aware certain hillside and brush area properties may require California Fair Plan Insurance Coverage. Buyer should allow approximately 4 weeks for processing of this insurance application.

19) Report of Residential Property Records and Pending Special Assessment Liens: If the subject property is residential and located in the city of Los Angeles, Seller shall pay for and deliver to Buyer, prior to close of escrow, a "Report of Residential Property Records and Pending Special Assessment Liens" in accordance with Los Angeles City Ordinance No. 144.942.

20) Mandated Government Retrofit Items:

a) Water Conservation Certificate of Compliance (for property located in the city of L.A.): Buyer and Seller are aware of L.A. Municipal code section 122.03 requiring the Seller of residential property to provide Buyer with a Certificate of Compliance that all applicable items have been retrofitted with the water saving devices specified in said code section.

b) Impact Hazard Glazing (for property located in the city of L.A.): Effective on any escrows closing on or after January 1, 1987, all external sliding glass doors (sliding part only) must be tempered glass or "impact hazard glazed" as required by city of L.A. Ordinance No. 161.136. Seller or Buyer shall pay for the cost to bring the property into conformance with this law prior to close of escrow. Seller or Buyer shall be allowed to use a safety film approved by the city of Los Angeles in lieu of replacing the glass with tempered glass.

c) Smoke Detector/Water Heater Compliance: Buyer and Seller are aware of California Health & Safety code sections 13113.8 (b) and 1921.1 requiring Sellers of real property to provide Buyer with a written statement indicating that the Seller is in compliance with the applicable local ordinance regarding installation of smoke detectors and water heater bracing, anchoring or strapping.

d) Gas Shut-Off Valve (for property located in the city of L.A.): Buyer and Seller are aware of the city of Los Angeles Ordinance (No. 171874; Amended No. 174343). This ordinance is effective on any escrow opened on or after February 1, 2002 and requires the installation of seismic gas shut-off valves for residential and commercial buildings prior to the close of escrow. The sale of an individual condominium unit in a building requires the installation of seismic gas shut-off valve for all gas piping lines serving the building prior to the close of escrow. This ordinance makes the installation mandatory at close of escrow by the agreed upon party as stated in the Residential Purchase Agreement & Joint Escrow Instructions.

21) Home Protection Plans: Buyer is aware that the standard Buyers Home Protection Plan generally does not include coverage for central A/C, pool, spa or roof. It is recommended that the parties specify exactly what coverage is being included if the purchase of a policy is part of this sale. Buyer understands that there are differences between the various companies as to the extent of coverage provided. Buyer and Seller acknowledge that although Broker(s) may provide names and supply literature on the availability of these plans, the selection of the individual plan is at the sole discretion of Buyer and Seller. Buyer and Seller are advised to make their own investigation as to the exact coverage and what limitation and exclusions individual policies contain.

22) Value: Buyer and Seller acknowledge and agree that while Broker(s) provide information regarding comparable properties to the subject property, the value of the property is subjective and Broker(s) cannot guarantee the current market value of the subject property. Further, Broker(s) make no representation of any kind as to the future value of said property.

23) Escrow Process Complexity: The purchase agreement indicates a specific closing date, however, the complexity of a real estate transaction may necessitate an extension of this closing date. Any such extension would require the mutual consent of Buyer and Seller. Due to this possibility, it is suggested that Buyer and Seller remain as flexible as possible with regard to all plans based on the exact closing date.

24) Selection of Service Provider: All parties are aware that Broker(s) have a financial **interest** in Park Regency and Mid Valley Escrow and a Business Financial Relationship with Prospect Mortgage. Buyer and Seller are not obligated to use said services.

25) Broker(s) Responsibilities: Buyer and Seller acknowledge and agree Broker(s) are not responsible for Buyer's and Seller's performance of the terms and conditions contained in this purchase agreement, including all addendums, and Broker(s) are not responsible for, and make no warranties as to the condition of the property.

26) Schools: Buyer and Seller are advised that children living in the property may not, for numerous reasons, be permitted to attend the school nearest the property. Various factors including, but not limited to, open enrollment policies, busing, overcrowding and class size reductions may affect which public school serves the property. School district boundaries are subject to change. Buyer is advised to verify whether the property is now, and at the close of escrow will be, in the school district they understand it to be in, and whether residing in the property entitles a person to attend any specific school that Buyer is interested in. Broker recommends that Buyer contact the local school or school district for additional information during Buyer's inspection contingency period. Brokers do not have expertise in this area.

27) Megan's Law Disclosure: Buyer is aware that a list of registered sex offenders is available on a computer database. This information is available through local law enforcement stations. For more information contact the local police department.

Buyer and Seller acknowledge receipt of this page, which constitutes Page 3 of 7 pages of this Addendum

Buyer's Initials _____ **Seller Initials** _____

Property Address: _____

28) Pest Control Reports: In the event that Seller obtains more than one Pest Control Report pursuant to the current sale of property, Seller is required to provide copies of all such reports to Buyer. Seller's ability to comply with the Pest Control provisions of the Purchase Contract may be impacted by the existence of any discrepancies contained with said reports. Buyer is aware that the Structural Pest Control Report deals with wood destroying pests (termites) and does not apply to the presence or absence of rodents, insects, or any other such "pests".

29) Mold, Mildew, Spores and Airborne Bacteria: Buyer and Seller are aware that along with the inspections that the Buyer has been urged to perform concerning the physical condition of the subject property, Buyer has the right to have the property inspected for Mold, Mildew, Spores and Airborne Bacteria. Some types of Mold, Mildew, Spores or Airborne Bacteria are believed by Health Care Providers to cause illness in human beings. Generally, physical home inspectors DO NOT report on Mold, Spores and Airborne Bacteria. The Real Estate Broker(s) and Agent(s) have not made any representation, express or implied, as to the existence or non-existence of Mold, Mildew, Spores or Airborne Bacteria in or on the subject property. If the Buyer is concerned about the possible presence of Mold, Mildew, Spores or Airborne Bacteria in or on the subject property, Buyer is urged to have an environmental inspection by a qualified individual or entity. The statements of the Seller and/or other concerning Mold, Mildew, Spores or Airborne Bacteria have not and will not be verified by the Real Estate Broker(s) and/or Agent(s).

30) High Winds: Buyer is aware that some of the Porter Ranch and Granada Hills areas as well as other areas may be considered "HIGH WIND" locations. Buyer is advised to make his/her own independent investigation.

31) Proximity to Dam: Many communities are in close proximity to dams such as, but not limited to, Limekiln Canyon Dam, Van Norman Reservoir, Los Angeles Reservoir, Bouquet Canyon Dam, Castaic Dam, Pyramid Lake Dams and others. Buyer acknowledges that they have been advised the property may be in the vicinity of a dam. Buyer agrees to make his/her own independent and complete investigation of the effects, if any, on value, Buyer's use, enjoyment and safety of the subject property.

32) Plumbing:

a) Galvanized Pipe Disclosure: Several area builders have been the targets of class-action lawsuits alleging that they used inferior galvanized steel water pipes that have started to corrode and leak years after the homes were built. Many suits involve homes built between 1986 and 1995. Corrosion or damage to water pipes may not be discoverable by Buyer or Broker's visual inspection. Inspection by a licensed qualified professional is strongly recommended to determine the integrity of the plumbing system prior to the expiration of the inspection contingency period of the Purchase Agreement. If the property is a condominium or a unit in some other common interest subdivision, Buyer is advised to contact the Homeowner's Association about any pending litigation, repairs or retrofit work and the possibility of any increased fees or special assessment to defray the cost of litigation, repairs or retrofit. Buyer and Seller acknowledge that Broker(s) are not experts regarding the plumbing matters that are the subject of this disclosure.

b) ABS Piping: Buyer is aware that homes built or remodeled from 1985 through 1990 may contain defective ABS Plastic Drain Waste and Vent pipe that is subject to failure. If an inspection is ordered, Buyer is urged to have the inspector determine if ABS plastic pipe is present.

33) Juvenile Jail Facilities: Buyer is aware that the juvenile jail facilities such as "Camp Scott" and "Camp Scudder" located on the east side of Bouquet Canyon Road near Shadow Valley Lane and the juvenile jail facilities in Sylmar near the 210 freeway and others exist near residential areas. Buyer agrees to make their own independent and complete investigation of the effects, if any, on value, or Buyer's use, enjoyment and safety of the subject property.

34) County Jail Facilities: Buyer is aware that the Los Angeles Jail "Pitchess Honor Ranch" is situated on the east side of the 1-5 freeway near Castaic. The so-called "holding facility" on the county jail site for felons awaiting trial is generally considered to be a high security prison. This county jail also serves as a medium security for misdemeanor prisoners.

35) Pets and Animals: Buyer and Seller are advised that the current or previous owner(s) may have had domesticated or other pets and animals at the property. Odors from animal urine contamination may be dormant for long periods of time and then become active because of heat, humidity or other factors and may not be eliminated by cleaning or replacing carpets or other cleaning. Pet urine and feces can also damage hardwood floors and other floor coverings. Additionally, an animal may have had fleas, ticks and other pests that remain on the property after the animal has been removed. If Buyer wants further information, Broker(s) recommend that Buyer discuss the issue with an appropriate professional during Buyer's inspection contingency period. Broker(s) do not have expertise in this area.

36) Sand and Gravel Mining Operation Proposal: Buyer is aware that the Los Angeles County Regional Planning Commission has recently voted on a proposal to establish a sand and gravel mining operation with appurtenant facilities, located at 12101 Soledad Canyon Road, about two miles east of the city of Santa Clarita. Concerns have been expressed by the community regarding this project with respect to the possibility of creating noise, air pollution and increased congestion from heavy truck traffic. To obtain further information, Buyer is advised to contact the Los Angeles County Regional Planning Commission, 320 W. Temple St., Ste. 170, Los Angeles CA 90012, (213) 974-6409.

37) Death and Other Disclosures: Many buyers consider death on real property to be a material fact in the purchase of property. In some situations, it is advisable to disclose that a death occurred or the manner of death. However, California Civil Code Section 1710.2 provides that a seller has no disclosure duty "where the death has occurred more than three years prior to the date the transferee offers to purchase, lease, or rent the real property, or (regardless of the date of occurrence) that an occupant of that property as afflicted with, or died from, Human T-Lymphotropic Virus Type III/Lyphadenopathy-Associated Virus." This law does not "immunize an owner or his or her agent from making an intentional misrepresentation in response to a direct inquiry from a transferee or a prospective transferee of real property, concerning deaths on the real property."

Buyer and Seller acknowledge receipt of this page, which constitutes Page 4 of 7 pages of this Addendum

Buyer's Initials _____ Seller's initials _____

Property Address: _____

38) Defective Furnaces:

The U.S. Consumer Product Safety Commission (CPSC) has issued a warning regarding certain gas-fired horizontal forced-air furnaces that present a substantial risk of fire. The furnaces in question were manufactured from 1983-1994 by Consolidated Industries (formerly Premier Company) and were marketed under many different brand names. Homes built before 1983 or after 1994 could still have the furnaces in question due to replacements or remodeling. It is recommended that you have this issue investigated by a qualified professional to determine if the furnaces any property you are selling or buying is defective and/or dangerous. Local gas companies will inspect at no charge, and if the furnace is one of the models in question, will indicate that it should not be used. The gas company will not, however, make specific recommendations as to repairs and/or replacement. If the furnace presently installed at the property falls within the category identified by the CPSC, a professional with expertise regarding gas furnaces should be retained to make a more specific determination. Please visit website: www.cpsc.gov/talk.htm.

REAL ESTATE BROKERS AND AGENTS ARE NOT QUALIFIED TO INSPECT FURNACES OR MAKE ANY RECOMMENDATIONS OR DETERMINATIONS CONCERNING POSSIBLE DEFECTS OR HEALTH AND SAFETY ISSUES

THE PURPOSE OF THIS DISCLOSURE IS TO PUT SELLERS AND BUYERS ON NOTICE TO CONDUCT THEIR OWN DUE DILIGENCE REGARDING THESE MATTERS, BUYERS ARE TO UTILIZE THE DISCLOSURES GIVEN AND TO SATISFY THEIR OWN CONCERNS. IF ANY. BUYERS ACKNOWLEDGE THAT THEY HAVE READ THIS DISCLOSURE AND UNDERSTAND ITS CONTENTS.

39) Buyer's Subsequent Purchase: In the event this transaction is not concluded within twelve (12) months following the date of this offer, should Buyer or any related person, acting directly or indirectly, acquire the property or any interest in the property from Seller, Seller agrees to pay commission as set forth in Seller's Listing Agreement or, if there is no listing agreement, as specified in the original Purchase Agreement between Seller and Buyer. For purposes of this Agreement, "related person" includes any person related by blood, marriage, or business relationship, and any entity that controls or is controlled by Buyer or any related person, excluding Brokers, herein.

40) Supplemental Property Tax Bill: Effective January 2, 2006, AB459 added Civil Code Section 1102.6c The required notice.

"Notice of Your Supplemental" Property Tax Bill states:

"California property law may require the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes.

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

"If you have any questions concerning this matter please call your local Tax Collector's Office,"

41) Archive/Storage Fee: The parties represented by Park Regency Company in this transaction shall pay an Archive Fee of \$79 to Park Regency Company for file archiving and storage.

42) Baseline Mansionization Ordinance: Buyer is advised that the City of Los Angeles has adopted a Baseline Mansionization ordinance (Los Angeles City Ordinance #179883) which may affect Buyer's intended use of the subject property. For those properties subject to the Ordinance (generally all single-family residentially zoned properties not located in a Hillside area or Coastal Zone) the Ordinance imposes restrictions on the square footage allowable for both new construction and additions to existing structures on the property. Buyer is advised to obtain a copy of this ordinance and to contact the appropriate City agency directly to determine its impact, if any, on the subject property. Buyer may also visit the following website: <http://zimas.lacity.org>. In addition to the above referenced ordinance, the City of Los Angeles has adopted interim Ordinance #179184 potentially impacting square footage requirements for single-family residentially zoned properties in the Sunland-Tujunga area. Buyers purchasing in this area are advised to obtain a copy of this ordinance and to contact the appropriate City agency to determine its impact, if any, on the subject property. Broker does not have expertise in this area and strongly recommends that Buyer verify, prior to removing inspection contingencies, whether these Ordinances will have any effect on the Buyer's intended use of the subject property.

43) Sediment Placement Sites (SPS): Buyer is advised that the property may be in the vicinity of a Sediment Placement Site (SPS). The Los Angeles County Flood Control District has established these sites to place the sediment being removed from debris basins throughout Los Angeles County. These sites are designed for putting soil and rock only, and not for dumping garbage or any other materials. Currently there are approximately 20 active SPSs throughout Los Angeles County with seven located within or near the boundaries of the San Fernando and Santa Clarita Valley. Such SPS sites currently exist in Sylmar (May Canyon), Chatsworth (Brown), Santa Clarita (Wildwood), Toluca Lake (Aqua Vista) and Sunland/Tujunga (Zachau, La Tuna, Blue Gum). A map of these SPS sites may be found at www.srar.com (click on MLS tab on top of homepage and go to Neighborhoods/Areas tab). Buyer agrees to make his/her own investigation of these sites and their effects, if any, on the value and Buyer's enjoyment of the property.

44) Wildlife: Buyer has been informed that various types of wildlife appear in residential neighborhoods throughout the San Fernando Valley and surrounding areas. Coyotes, undomesticated cats, snakes, owls and other birds of prey as well as other such wildlife may be injurious to property, pets and small children. Buyer is advised to investigate this matter during Buyer's contingency period.

Buyer and Seller acknowledge receipt of this page, which constitutes Page 5 of 7 of this Addendum Buyer's Initials _____ Seller's initials _____

Property Address: _____

45) Potable Water to Support Future Improvement to Property: Buyer is made aware that in the County of Los Angeles there are new requirements effective January 1, 2003, for the expansion and development of real estate. Buyer is advised to do an independent investigation of the "Potable Water Availability Requirements for Residential and Commercial Development" including whether "public" or "certified well water" source is available and the performance of soil evaluation "percolation" tests for private sewage disposal. Buyers in unincorporated areas of the County of Los Angeles should contact the County of Los Angeles, Department of Health Services Environmental Health or the Los Angeles County Department of Public Works (website www.Ladwp.org).

46) Mulholland Scenic Parkway Specific Plan: Buyer is aware that all property situated in the City of Los Angeles bounded on the East by the Hollywood Freeway, on the West by the Los Angeles City/County boundary line, and within approximately one-half mile North or South of Mulholland Drive is subject to the Mulholland Scenic Parkway Specific Plan (City of Los Angeles Ordinance #167943). If the property lies within this Specific Plan area, Buyer is strongly advised to obtain a copy of the ordinance and to investigate the impact the Specific Plan may have on subject Property. Buyer may obtain an official copy of the ordinance by contacting the Los Angeles City Ordinance Division at (213) 978-1133.

47) Protected Tree Preservation: Buyer is aware of the existence of a Los Angeles City Ordinance (Ordinance #177404) that regulates and encourages the preservation of oak trees and other "protected trees" within the City of Los Angeles. For more information regarding which trees fall within the category of "protected trees" and what restrictions apply to such trees and before removing, relocating or altering any trees on subject property, Buyer is advised to contact the City of Los Angeles, Urban Forestry Division at (213) 847-3077. A permit is generally required to relocate, remove or alter any protected trees. The Seller and Real Estate Brokers are not experts in this area and cannot give specific advice to Buyer with regard to this matter. Buyer may also visit bss.lacity.org/urbanforestrydivision/index_UFQandA.htm for additional information.

48) Community Boundaries: Within the City of Los Angeles there are many communities such as Sherman Oaks, Woodland Hills, Valley Village, Valley Glen, etc. The Los Angeles City Council is the governmental entity that approves the actual boundaries of these neighborhoods. The official boundaries of each of these communities are delineated in the official maps approved by the LA City Council. These maps can be found on the LA City Council website or at www.srar.com (click on the *MLS* tab at the top of the homepage and go to *Neighborhood Boundary maps*). Buyer and Seller are advised not to rely on the US Postal Service or LA County Assessor's information to determine the actual boundaries of any particular community as these records are not always accurate. Buyer and Seller are advised to check the official LA City Council maps to determine the actual boundaries of the various communities.

49) Proposed High-Speed Rail Between Burbank and Palmdale: Buyer is informed that the State of California is considering the route of a high speed rail line between Burbank and Palmdale. When such a rail line is constructed, there will be numerous items impacting surrounding neighborhoods including, but not limited to, noise factors of construction train operations and possible eminent domain issues. Real Estate Brokers cannot give any opinion on when this high speed rail will be constructed nor where the high speed rail will ultimately be constructed. The State of California is currently contemplating numerous routes for said rail line. While it is likely that property values in the area surrounding this project will be impacted, Real Estate Brokers are not in a position to determine what impact this project would have on any particular property. Buyer is advised to contact the California High-Speed Rail Authority directly with any questions concerning this proposed construction. California High-Speed Rail Authority headquarters in Sacramento can be reached at 916-324-1541 or by email at info@hsr.ca.gov. The local Southern California office can be reached at email address Southern.California@hsr.ca.gov.

50) Installation of Carbon Monoxide Detectors: California law (Health and Safety Code sections 13260 to 13263 and 17296 to 17296.2) requires that as of July 1, 2011, all existing single-family dwellings have carbon monoxide detectors installed and that all other types of dwelling units intended for human occupancy have carbon monoxide detectors installed on or before January 1, 2013. The January 1, 2013 requirement applies to a duplex, lodging house, dormitory, hotel, condominium, time-share and apartment, among others.

51) Porter Ranch/Aliso Canyon Disclosure: Buyer is advised of the existence of the Aliso Canyon Oil Field, located within close proximity to the Porter Ranch Area. Further, buyer is informed that The Termo Company, owner of the existing wells along with several other oil and gas companies, has proposed to drill an additional number of new oil wells at this site. At this time, this proposal is under consideration and no final determination has been made as to whether or when such additional oil wells will be drilled. Seller and real estate brokers and their agents do not have the expertise to advise buyer on any impact said oil wells may have on the subject property. Buyer is advised to investigate this matter during buyer's investigation contingency period. Buyer may visit the proposed project website at <http://www.northalisoproject.com> and should also check with the appropriate county and city departments to obtain information regarding any potential environmental impact of said drilling.

Buyer is advised that in certain areas of Porter Ranch and Granada Hills there was a temporary air pollution situation, resulting from a natural gas well leak in Aliso Canyon, north and west of the area. The State of California has certified that this leak has been sealed as of early February, 2016. Other wells in the area are being inspected by the State of California and local authorities. Broker has no knowledge as to whether this temporary situation will affect any future home prices in the area. Buyer can obtain further information from the California State Department of Conservation – Division of Oil, Gas and Geothermal Resources at 805-654-4761.

Buyer and Seller acknowledge receipt of this page, which constitutes Page 6 of 7 of this Addendum Buyer's Initials _____ Seller's initials _____

Property Address: _____

52) Los Angeles City Earthquake Retrofit Safety Regulations: The Los Angeles City Council has enacted seismic regulations requiring an estimated 15,000 buildings be retrofitted so they will better withstand a potential earthquake. Two types of buildings are targeted by this legislation- concrete buildings and boxy wood-frame apartment complexes built on top of carports. Property owners will have seven years to retrofit wood apartments and 25 years to fix concrete buildings. The cost of retrofitting such buildings will be substantial and any potential buyer of such properties is advised to investigate this matter during buyer's investigation contingency period. Buyer is advised to check directly with the Los Angeles Department of Building and Safety for further information on this subject.

53) Woolsey Fire Disclosure and Advisory. Buyer is aware that **in November, 2018, a massive fire swept through a large portion of Los Angeles and Ventura counties, including large portions of Thousand Oaks, Calabasas, Agoura, West Hills, Oak Park, Simi Valley, Malibu, and other surrounding areas.** Many homes were destroyed or severely damaged by the fire. **Other homes in the vicinity of the fire may have suffered damages either to the exterior or the interior of the property even if there is no outward appearances of damage.**

If Buyer is purchasing vacant land where a property was destroyed or property with partially destroyed structures as a result of the fire, Buyer is strongly advised to investigate Buyer's ability to build on said land by checking directly with the Buyer's licensed contractor, structural engineer, geologist and other appropriate professionals as well as checking directly with the local municipality which governs building in the area in question, during Buyer's investigation contingency period. Buyer agrees and understands that neither the Seller nor Real Estate Brokers or their Agents can make any representations as to what can be built on said sites or the cost factors associated with any such building. As such, Buyer acknowledges and agrees that Buyer is not relying on any representation of Seller or Real Estate Brokers or their Agents with regard to these matters.

Buyer is advised to take all necessary steps to protect his or her interests while investigating the condition of the Property so as to thoroughly assess the impact of these fires. In addition to the items referenced above, this includes, but is not limited to the following matters: the ability to obtain fire insurance of said Property; investigating the Property and surrounding areas for any potential contamination or damage resulting from the fires; **investigating the potential for mudslides or similar future damage in the vicinity of the Property as a result of the fire;** the availability of financing for the Property; the existence of any liens or claims on the Property for debris removal costs and/or claims or costs for any other issues related to the fire and its aftermath.

Buyers are advised to consult with their own legal and insurance professionals regarding all matters related in any way to the above referenced fires. Real Estate Brokers and their Agents do not have expertise in these matters and have not, and will not independently verify any of the above.

54) Other:

Buyer and Seller acknowledge receipt of this page, which constitutes Page 7 of 7 of this Addendum, and agree to all terms of said Addendum.

Date: _____ Date: _____

Buyer: _____ Seller: _____

Buyer: _____ Seller: _____