SOUTHLAND REGIONAL ASSOCIATION OF REALTORS®, INC.

Santa Clarita Valley Area Disclosure

Property _____ ***referred to as "Subject Property"***

In which _____ ***is referred to as "Seller"***

and _____ ***is referred to as "Buyer"***

This document is intended to assist the parties in providing all appropriate disclosures concerning the Subject Property. It is not intended to provide a complete list of all potential issues related to the Subject Property. Accordingly, the parties should supplement this document, and all other required disclosures for this transaction, with all additional information they may have which impacts the Subject Property.

Seller Disclosures

Answer the questions below.

1. **Are you aware of any litigation, settlements, judgments or other legal issues involving the tract / development where the property is located?** ☐ YES ☐ NO

If Yes, Describe: _____

_____

_____

_____

_____

2. **Solar**

Does the property have a solar panel or power system? ☐ YES ☐ NO

If yes, is the unit ☐ Leased ☐ Purchased without financing ☐ Purchased with financing

3. **Common Mailbox**

Is the mailbox located in a common cluster mailbox? ☐ YES ☐ NO If Yes, what is the mailbox number? _____

4. **Garage / Parking**

Is the parking in a common or assigned parking, garage or carport? ☐ YES ☐ NO

If yes, what is/are the assigned garage/parking space numbers? _____

Below is a list of disclosures to assist the Buyer in evaluating the purchase of the Subject Property. It is not intended as a complete list and Buyer is hereby instructed to take all necessary steps to satisfy themselves as to any issue that impacts them or the Subject Property. Websites referenced below may not be the only source of information regarding the subject matter and Buyer is encouraged to do their own online investigation.

1. **Bermite:** Whittaker-Bermite is an approximately 1000 acre site adjacent to Circle J Ranch on the south, Soledad Canyon on the north, Golden Valley Road on the east, and Railroad Avenue on the west. This former munitions testing and manufacturing site has contamination issues to soil and groundwater by perchlorates and other compounds. Certain water wells were shut down and clean-up efforts continue on and off the site for soil and groundwater contamination. Since May 1995, there have been plans to develop this area known as the Porta Bella Specific Plan. Included in this plan for development is the extension of Via Princessa from the 14 Freeway side through to the Circle J Ranch side. Exact timeline for clean-up and for future development is unknown at this time, but could take many years. For more information go to www.whittakerbermite.com or www.Santa-Clarita.com.

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Revised March 24, 2016

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2. **Castaic School:** Buyer is advised that the William S. Hart School District is in the process of building a High School in the Sloan Canyon / Romero Canyon area of Castaic. The construction of the Castaic High School will bring various changes to the Castaic area such as, but not limited to:

- During the construction period changes in traffic patterns, heavy machinery, construction noise, dust and other construction related issues will be expected.
- When Castaic High School opens, school related issues will potentially affect neighboring areas. These items may include, but not limited to; traffic, noise, lighting, and other school related issues.
- This disclosure is based on current released information that may or may not change. The Buyer is advised to contact the school district, and any other agency directly, and review any and all information at www.hartdistrict.org related to the proposed school and its potential effects on the area and Subject Property.

Buyer is advised to make an independent and complete investigation of the effects, if any, on the value, use and enjoyment of the Subject Property.

3. **Cogeneration and Operational Power Plants:** Buyer is advised there are cogeneration and operational power plants which utilize various fuels to produce electricity for on-site and off-site purposes. These plants are located in various areas, including but not limited to two plants in Placerita Canyon, Pitchess Detention Center in Castaic, Val Verde, Saugus, and Valencia. More information and lists of other possible plants can be found on the California Energy Commission website at www.energy.ca.gov.

4. **Construction Materials Defects/Recalls/Class Actions:** Certain properties may have been constructed or remodeled using materials or products that were substandard and may become inadequate or have been classified as defective and may have been, or could become, part of class action lawsuits. This includes, but is not limited to:

- ABS plastic drain and vent piping, which may fail and leak.
- Galvanized steel pipes which may fail and leak.
- Chinese Drywall which emits levels of sulfurous gasses and/or other volatile organic compounds that may cause corrosion of copper products such as wiring, plumbing, and other components and may create health risks. This affects homes built or remodeled after 2000.
- Lumber Liquidators laminate flooring made in China is under investigation for exceeding California's formaldehyde toxicity limits. This may become a class action lawsuit and it may expand to other suppliers and manufacturers.

For more information on these items and others, go to U.S. Consumer Product Safety Commission (CPSC) website at www.cpsc.gov and reference additional disclosure in the Statewide Buyer and Seller Advisory (SBSA).

5. **County Jail Facilities:** Buyer is advised the Los Angeles jail facility "Pitchess Detention Center" is situated on the east side of I-5 freeway near Castaic. The county jail site includes four jail facilities ranging from medium to maximum security.

6. **Fault Lines:** Buyer is advised many properties throughout the Santa Clarita Area are within, near or adjacent to known and unknown ground faults subject to earthquakes. Buyer is further advised to investigate the proximity of the San Andreas Fault and other known faults that may affect the Subject Property. Buyer should review all disclosures including the Natural Hazards Disclosure report.

7. **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 the 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 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 known 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 "hardwood" or "wood" floors exist at Subject Property, Buyer understands this is NOT a representation or guarantee that all flooring is wood or hardwood and is not a representation or guarantee as to the condition of said flooring.

8. **Future Development, Land Use, and Neighborhood Conditions:** The Santa Clarita Valley, including the surrounding unincorporated communities, is a region still undergoing significant real property development. Although a so-called "Master Plan" exists, it is neither fully approved nor does it describe all areas of the valley. Tracts of unimproved land are in various stages of planning and/or approval for the construction of residential, commercial and industrial buildings. Buyer is advised that ultimate use of land adjoining, or even remote from the Subject Property is, or may be, the subject of proposed, planned or approved, but as yet-not started, development. Such development may result in neighborhood, community and regional changes including but not limited to: the opening of cul-de-sac streets into previously undeveloped land or other nearby streets, the widening of existing streets, the building of entirely new roads, streets or freeways and the construction of appropriately zoned structures near to, or otherwise affecting, the Subject Property. Vacant lots that may be adjacent to a property may be improved and could affect Subject Property and any views. Buyer is advised to investigate the known and/or prospective implementation of development plans and projects and the effects, if any, on the value, use, enjoyment of the Subject Property.

9. **Gas Shut-Off Valve Availability:** Buyer is advised Earthquake Shutoff Valves are available, but not required in the Santa Clarita Valley. Buyer is advised to investigate the operation, installation, cost and protection this valve may offer in an earthquake.

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10. **Henry Mayo Newhall Memorial Hospital and Expansion:** Henry Mayo Newhall Hospital is a Level II Trauma Center. Emergency vehicles and air transport by helicopter are used to transport patients to the facility 24 hours per day. Buyer is advised the Henry Mayo Newhall Memorial Hospital is in the process of expanding the campus to include additional buildings and facilities. For additional information Buyer is advised to contact Henry Mayo Newhall Memorial Hospital and The City of Santa Clarita for the current status of the expansion, additional expansion information, and how these may affect the Subject Property. Buyer is advised to make an independent and complete investigation of the effects, if any, on the value, use, and enjoyment of the Subject Property.

11. **High-Speed Rail Proposal Between Burbank and Palmdale:** Buyer is informed 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 areas 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 by email address at southern.california@hsr.ca.gov.

12. **High Winds:** Buyer is advised certain areas located in the Santa Clarita Valley and neighboring communities experience high winds.

13. **Juvenile Jail Facilities:** Buyer and Seller are advised juvenile jail facilities are located in the Santa Clarita Valley and neighboring communities.

14. **Landfills:** Santa Clarita Valley and neighboring communities are in close proximity to current landfill sites and/or the possibility of other landfill sites unknown to Seller or Broker(s). Landfills in the area may continue to expand and increase their land use, as well as increase the types (hazardous waste, non-hazardous) and tonnage of waste deposited into the landfill on a daily and weekly basis. Chiquita Canyon Landfill located in LA County off Highway 126 adjacent to Val Verde and near Castaic will be expanding and increasing their daily and weekly tonnage of waste as well as possibly the types of waste they accept. Buyer should investigate the effect, if any, this has regarding the Subject Property.

15. **Licensed and Community Care Facilities:** Buyer is advised licensed care facilities may be found in any neighborhood and are protected by State law. Buyer shall conduct their own investigation of such matters and will not rely on Brokers or Agents for information regarding the nature and location of these facilities.

16. **Mello-Roos and Other Special Assessments:** Buyer is advised the Subject Property has special assessments included in their Property Tax Bill. These assessments may include, but are not limited to, Community Facilities Districts (including Mello-Roos) and other bonds, Landscape Maintenance Districts, and other assessments. Buyer is advised to review the Tax Data Report, Property Tax Bill, or other reports and information regarding the existence and current amounts of any special assessments. Buyer is aware the existence or amount of an assessment may change in the future.

17. **Metrolink and / or Other Railway Service:** Buyer is advised the Subject Property may be situated in or near one of the service areas of Metrolink and/or other railway service. There may be noise or vibration and possible traffic delays due to train traffic in the area and/or other nuisances.

18. **National Forest Lands:** Buyer is advised the Santa Clarita Valley area is near and in some locations adjoins the Angeles National Forest. Said National Forest is a natural wildlife habitat and is also used for a variety of recreational purposes.

19. **Natural Gas Storage:** The City of Santa Clarita has posted information regarding Natural Gas Storage Facilities In and Near Santa Clarita on the Cities website at: http://www.santa-clarita.com/city-hall/departments/parks-recreation-and-community-services/emergency-management/natural-gas-storage-facilities.

20. **North Newhall Specific Plan Process and Proposal:** There is a proposed plan with continuing meetings and collaboration between the City and community to try and develop a supportive plan for the area. Several projects are anticipated including public roadway and infrastructure improvements and various developments. The project consists of approximately 213 acres near the Circle J Ranch boundary to the north, the Metropolitan Water District easement to the east and Newhall Creek to the west and south. The project area is large and existing conditions vary from one part of the project to another. For more information go to the City of Santa Clarita website at www.santa-clarita.com.

21. **Non Permitted Additions/Modifications**: Buyer is advised items in the above Subject Property may have been built without the proper City/County permits. Further, it is understood those items may or may not be built to the current code and it may not be possible to obtain a permit for them. Buyer is also advised the local governing body may require the removal of the non-permitted items, and/or the requirement to bring them up to current code and standards. Buyer understands the removal of these items and / or requirement to bring them up to current codes may require permits and fees and other costs may be incurred. Buyer is advised to check with governing City or County Building & Safety Departments regarding this matter.

22. **Oak Tree Ordinance:** The City of Santa Clarita has an ordinance regarding oak trees, including but not limited to, use, maintenance, trimming, cutting, removal and pruning of any oak tree. There are permit guidelines as part of the ordinance. Buyer is advised any oak trees on or near the property may interfere with modifications or additions to property and may interfere with the use, expansion, and enjoyment of the Subject Property. Buyer is advised to consult appropriate professionals and the City of Santa Clarita regarding any oak trees near or on the Subject Property.

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23. **Oil Derricks & Pollutants and Toxins:** Buyer is advised some known and/or alleged oil derricks and/or pollutants and toxin problems that may be around the area. Information can be found online at http://www.conservation.ca.gov/dog.

24. **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 there was a major gas leak coming from a Southern California Gas Company storage facility in Aliso Canyon located in close proximity to the Porter Ranch area. The leak, coming from an underground well, released large quantities of methane gas. During the time of the leakage, residents of Porter Ranch complained of health issues including nausea, headaches, and nosebleeds. The gas company indicated that the leak began on or around October 23, 2015 and continued until on or around February 11, 2016. Seller and Real Estate Brokers and their Agents do not possess the expertise to advise Buyer on the impact of this leak on the subject property. Buyer is advised to do his own investigation of this matter during Buyer's investigation period. Buyer may contact the Los Angeles County Department of Public Heath at 888-700-9995 and the Southern California Gas Company at 800-427-2000 for further information.

25. **Post Burn Issues/Mudflow:** Many areas in Southern California periodically suffer damage due to brush fires and firestorms that ravage an area. Rains can pose a threat of additional damage due to flooding and mud and debris flows. Buyers should consult local and county agencies, such as Department of Public Works www.dpw.lacounty.gov//wrd/fire, and the City of Santa Clarita Website http://readyforrain.santa-clarita.com/.

26. **Proximity to Electrical Power Lines:** There are high-voltage electrical lines that can, in some cases, run adjacent to rural and/or residential properties. There can be, including, but not limited to, additional switching stations added, updating of power lines and towers, increasing sizes and/or conductors, etc. One such project is called "Barren Ridge" and more information regarding this project can be obtained by calling 877-440-3592 or on line at www.ladwp.com/barrenridge.

27. **Proximity to Dam(s)/Lakes:** The Santa Clarita area is in close proximity to existing dams and lakes including, but not limited to, Castaic Lake, Pyramid Lake, Lake Elizabeth, Lake Hughes and Bouquet Reservoir. Buyer should investigate the proximity of the Subject Property to any such facilities and any potential effects they may have on the Subject Property.

28. **Review of Easements:** Buyer is advised to read and review all documents that may impact the title, use or possession of the Subject Property, and to have a physical inspection of the Subject Property for possible easements or encroachments, including without limitations roads, paths, structures, utility devices and other improvements. The Broker(s) have not verified, and are not qualified to verify, whether recorded or unrecorded documents or easements or encroachments affect the title, use or possession of the Subject Property. Buyer is strongly urged to employ appropriate competent professional(s), (such as civil engineer(s), surveyor(s) and general contractor(s), to review all issues that may impact title, use or possession of the Subject Property. Buyer may also contact the title company to discuss title and the title policy being issued for the Subject Property and about the availability, coverage and cost of other title policies and/or endorsements that may provide a higher degree of coverage for Subject Property. Buyer is advised they may request from the title company color-coded easement maps with regard to the Subject Property and various easements, as well as request all recorded documents found on the prelim to review and investigate during their inspection contingency timeframe per contract.

29. **Sand and Gravel Mining Operation Proposal:** Buyer is advised there is a proposal to expand the sand and gravel mining operation with appurtenant facilities, located at 12101 Soledad Canyon Road, about two miles east of the City of Santa Clarita (commonly known as CEMEX). 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. Legislative efforts to resolve the issues of expansion of the mining operation and possible relocation to another area have stalled. For more information go to **www.santa-clarita.com.**

30. **Salt Water Pools:** The Santa Clarita Valley Sanitation District adopted an ordinance making it illegal for both new and existing "saltwater" pools to be connected to the sewer system. Buyer is advised to consult appropriate professionals and/or the Sanitation District at **www.lacsd.org/chloride** or call 1-877-Cut-Salt for further information regarding Salt Water Pools.

31. **Sediment Placement Sites (SPS):** Buyer is advised the Subject 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 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 their own investigation of these sites, and their effects, if any, on the value, use, and enjoyment of the Subject Property.

32. **Traffic Noise:** Buyer is advised the Subject Property may be near a freeway or other major roadway. The I-5 and 14 freeways are major commuter and industrial traffic routes that can result in traffic, noise, and/or other nuisances.

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33. **Water Conservation:** Water conservation mandates have been issued by the State of California. Local water agencies are required to put water conservation measures into place. As part of the conservation requirements, water companies have issued schedules for what days landscaping can be watered. Buyer should consult the water company, or entity who handles water for the Subject Property being purchased, to investigate this matter. Buyer should also review the Statewide Buyer and Seller Advisory for more disclosure.

34. **Water Softeners:** Automatic or rock salt water softeners are illegal and banned in the Santa Clarita Valley. Door to door investigations are being made by officials and homeowners can be cited and fined up to $1,000. Rebates may still be available. Contact the Sanitation District of LA or go online to www.lacsd.org/wastewater/automatic_water_softeners/softenerrebate.asp.

35. **Wildlife:** Buyer has been informed various types of wildlife appear in residential neighborhoods throughout the Santa Clarita 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 their inspection contingency period.

36. **Wood Burning Stoves/Fireplaces:** Certain areas may have regulations currently in place or may have in the future which could restrict or prohibit the use of indoor and outdoor residential wood burning in wood burning stoves and/or fireplaces due to fire hazards and/or air quality matters. Certain properties may be exempt, such as, but not limited to mountain communities, homes that rely on wood as sole source of heat, low-income households, and those without natural gas service. For more information go to www.aqmd.gov or check with local and county entities for any regulations relating to the Subject Property.

37. **Wood Destroying Pest Reports:** In the event that Seller obtains more than one Wood Destroying Pest report pursuant to the current sale of Subject Property, Seller is required to provide copies of all such reports to the Buyer. If there is more than one report, Seller shall notify Buyer which company will be doing any corrective work and issuing the clearance. Seller's ability to comply with the Wood Destroying Pest provisions of the Purchase Contract may be impacted by the existence of any discrepancies contained in said reports. Buyer is aware the Structural Pest Control Report deals with wood destroying pests including termites and does not apply to the presence or absence of rodents, insects, or any other such "pests".

Signing below, Seller and Buyer acknowledge they have received, reviewed, understood and accepted the above disclosures.

Seller acknowledges and represent they have fully and truthfully filled out this and all other disclosure documents. In addition, Seller acknowledges they did not rely upon either Broker or Agent for any information regarding this or any other disclosure document or the making, or omission, of any disclosure.

This information is true and correct to the best of my/our knowledge:

Seller Signature: _____ Date: _____

Seller Signature: _____ Date: _____

Buyer agrees to make an independent and complete investigation of the effects, if any, of the value, use, enjoyment and safety of the Subject Property regarding the items above during their investigation period specified in the Purchase Agreement. Buyer understands that the items listed above are not an exhaustive list of all items that may affect the value, use, enjoyment and safety of the Subject Property, but is intended to provide some of the issues to assist them in their due diligence investigation of the property.

The Real Estate Companies(s) and their Agent(s) make no representations on these matters. As such, Buyer agrees to hold Broker(s) and Agent(s) harmless with regard to the above disclosures and information provided by the Seller, or information or disclosures the Seller has failed to provide.

Buyer Signature: _____ Date: _____

Buyer Signature: _____ Date: _____

For Office Use Only
Reviewed by Broker & Designee: _____
Date: _____

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