



JCP Property Disclosure Natural Hazard Disclosure

Property Address: 225 CARMEL AVE ,
PACIFICA, SAN MATEO County, CA

APN: 016-072-240
Date: 01/17/2007
Report Number: 34819

SELLER(S) ACKNOWLEDGEMENT AND DISCLOSURES

This section is provided for the Seller's convenience in providing certain disclosures that may be applicable to the property and this transaction. This section is to be completed by the seller or their agent and provided to the purchaser. The following disclosures are provided by:

Seller or Seller(s) Agent _____

_____ Date

Seller or Seller(s) Agent _____

_____ Date

Seller Disclosure – Earthquake Safety

This structure was built prior to 1975 and has walls of (i) pre-cast (e.g. tilt-up) concrete or reinforced masonry together with wood frame floors or roofs or is constructed of (ii) un-reinforced masonry

Yes _____ No _____ Do not know _____

If (1) the improvements on the property were constructed prior to 1975, and (2) said improvements include structures with (i) pre-cast (e.g. tilt-up) concrete or reinforced masonry walls together with wood frame floors or roofs or (ii) un-reinforced masonry walls, Buyer must be provided with a copy of the *Commercial Property Owner's Guide to Earthquake Safety (copy included with this report)* published by the California Seismic Safety Commission (California Government Code §8893 et seq.). This booklet explains that owners of un-reinforced masonry buildings in Seismic Zone 4 (most of California) who have received notice that their buildings have load-bearing un-reinforced masonry walls must post their buildings with signs warning that they may be unsafe in an earthquake (California government Code §8875.8). This information is provided by the Seller or Broker. JCP has not validated this information in any way and takes no responsibility for its accuracy.

Seller Disclosure – Water Heater Bracing Installation

Yes _____ No _____ Do not know _____ No Free Standing Water Heater _____

If the property contains one or more water heaters, Seller is required by California Health and Safety Code §19211 to certify to the Buyer that all such water heaters have been braced, strapped and/or anchored in accordance with law. This water heater bracing installation information is provided by the Seller or Broker. JCP has not validated this information in any way and takes no responsibility for its accuracy.

Seller Disclosure – Title Insurance is provided by the Purchase Agreement.

Yes _____ No _____ Do not know _____

This Title Insurance information is provided by the Seller or Broker. JCP has not validated this information in any way and takes no responsibility for its accuracy. In the event that the Purchase Agreement does not at present provide that title insurance will be obtained, Buyer is strongly urged to consider purchasing such insurance, and, in accordance with California civil Code §1057.6, is advised as follows:

IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING.

END SELLER'S DISCLOSURES. BEGIN REPORT RECEIPT AND ADDITIONAL THIRD PARTY DISCLOSURES

BUYER(S) ACKNOWLEDGEMENT

I(WE) HAVE READ AND UNDERSTOOD THE ABOVE SELLER'S DISCLOSURES AS WELL AS THE NATURAL HAZARD, MILITARY ORDINANCE, AND AIRPORT INFLUENCE AREA DISCLOSURES, AND MOLD ADVISORY CONTAINED IN THIS REPORT.

Signature of Buyer

Date

Signature of Buyer

Date



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NATURAL HAZARD DISCLOSURES

THE SUBJECT REAL PROPERTY LIES WITHIN THE FOLLOWING AREA(S):

- 1. A SPECIAL FLOOD HAZARD AREA** (Any type Zone "A" or "V") designated by the Federal Emergency Management Agency.
Yes _____ No X Do not know and information not available from local jurisdiction _____

JCP determination based on the officially adopted maps:

IN a FEMA-designated Flood Zone C. If the property is located in or partially in any Zone A or V, lenders are federally required to have homeowners purchase and maintain flood insurance.

-
- 2. AN AREA OF POTENTIAL FLOODING** shown on a dam failure inundation map pursuant to Section 8589.5 of the Government Code.
Yes _____ No X Do not know and information not available from local jurisdiction _____

JCP determination based on the officially adopted maps:

Not in an area of potential dam inundation.

-
- 3. 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 X

JCP determination based on the officially adopted maps:

Not in a very high fire hazard severity zone.

-
- 4. A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISK AND HAZARDS** pursuant to Section 4125 of the Public Resources Code. The owner of this property is subject to the maintenance requirements of Section 4291 of the Public Resources Code. Additionally, it is not the State's responsibility to provide fire protection services to any building or structure located within the wildlands unless the Department of Forestry and Fire Protection has entered into a cooperative agreement with a local agency for those purposes pursuant to Section 4142 of the Public Resources Code.
Yes _____ No X

JCP determination based on the officially adopted maps:

Not in a state responsibility area.



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

Yes _____ No X

JCP determination based on the officially adopted maps:

Not in an earthquake fault zone designated pursuant to the Alquist-Priolo Act.

6. 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 X

JCP determination based on the officially adopted maps:

Map Not Available Map Not Available

7. County Level Geologic and Seismic Zone Information

Based on the officially adopted natural hazard maps in the County's General Plan, the site is:

This property is not in a landslide-prone area that includes defined, probable, suspected, or conjectured landslides nor within one-quarter of one-mile of a small landslide, not in a mapped area of identified liquefaction potential, not in a mapped area of potential inundation from dam failure, not in a mapped area of potential inundation from tsunami or seiche, not in a mapped coastal bluff area subject to retreat, slides, rock falls, and extensive erosion from ground water surface runoff and wave action, not within a mapped active or potentially active fault zone or within one-eighth of one mile of an inactive fault trace.

8. City Level Geologic Hazard Zone Determination

Based on the officially adopted natural hazard maps in the City's General Plan, the site is:

Located in either an unincorporated area or does not have officially adopted mapped information available at this time from which a geologic determination can be made.



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Other Risk Exposures

The descriptions, explanations and natural hazard disclosures provided in this report are not intended to be full and complete disclosures of all possible hazards and their effects to the Buyer and/or the property. Identified natural hazards and any others that may exist but are not addressed in this report may limit the ability to develop the real property, to obtain insurance, or to receive assistance after a disaster. In the event this document indicates the property is affected by one or more natural hazards, buyer(s) and seller(s) are advised to:

1. Review the applicable laws in their entirety.
2. Seek advice of counsel as to any legal consequences of the disclosed items.
3. Retain appropriate consultants to review and investigate the impact of said disclosures. On-site inspections and/or due diligence assessments by appropriately licensed engineers and experts are recommended prior to completing a real estate, loan, or insurance transaction.

EXPLANATIONS OF HAZARD ZONES

SPECIAL FLOOD HAZARD AREA

Property in a Special Flood Hazard Area "A" or "V" is subject to flooding in a "100-year rainstorm." Federally connected lenders are required to have homeowners maintain flood insurance in these zones. A 100-year flood occurs on average once every 100 years, but may not occur in 1,000 years or may occur in successive years. Other types of flooding, such as dam failure, are not considered in developing these zones. In some cases, the insurance requirement may be waived or modified by obtaining a "Letter of Map Revision" (LOMR) or "Letter of Map Amendment" (LOMA) from the Federal Emergency Management Agency (FEMA). This might be possible where flooding is shallow and fill was placed on the site, appropriate flood control measures were taken, or only the lot and no part of the structure is in the zone. Contact FEMA directly for more information. Flood insurance for properties in Zones B, C, X or D is available but is not required.

Zones A, AO, AE, AH, A1-A30: Area of "100-year" flooding - a 1% or greater chance of annual flooding.

Zones V, V1-V30: Area of "100-year" flooding in coastal (shore front) areas subject to wave action.

Zone B: Area of moderate flood risk. These are areas between the "100" and "500" year flood-risk levels.

Zones X: An area of moderate to minimal flood risk

Zones C, D: NOT IN an area of "100-year" flooding. Area of minimal (Zone C) or undetermined (Zone D) flood hazard.

AREA OF POTENTIAL FLOODING (DAM FAILURE)

These areas are subject to potential flooding in the event of a sudden and total failure of a dam and injury could occur as a result. Most areas are defined assuming an instantaneous dam failure with a full reservoir. However, dams rarely fail instantaneously and reservoirs are not always filled to capacity. Not all dams in the state have inundation zones mapped. There may be exceptional conditions where such a map was not required by the OES; therefore, the zones are not delineated.

VERY HIGH FIRE HAZARD SEVERITY ZONE (VHFHSZ)

VHFHSZs are defined by the California Department of Forestry and Fire Protection (CDF) and local fire authorities in "Local Responsibility Areas" where fire suppression is the responsibility of a local fire department. In these zones properties may have a higher risk for fire damage and are required to have a "Class A" roof for new construction or replacement of existing roofs. In addition, the property must be maintained in a fire-resistant condition through adequate vegetation clearance around and above the structure, spark screens on chimneys and stovepipes, leaf removal from roofs, and other basic fire-safety practices. Contact your fire department for a complete list of requirements and exceptions.



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WILDLAND FIRE AREA (STATE RESPONSIBILITY AREA)

A wildland area where the CDF's fire protection services are responsible for suppressing fires is called a "State Responsibility Area" (SRA). These are generally rural areas where a significant wildland fire potential exists. Unless the county has assumed the fire suppression responsibility or has an agreement with a local fire agency, property owners in an SRA are responsible for organizing structural fire protection services. Such information is not available on maps; therefore, it can't be provided here. For very isolated properties with no local fire services there may be significant fire risk or only seasonal fire services. Property owners in an SRA are required to maintain adequate vegetation clearance around and above the structure, spark screens on chimneys and stovepipes, and other basic fire-safety practices. Contact your fire department for a complete list of requirements and exceptions.

EARTHQUAKE FAULT ZONE

Earthquake Fault Zones are delineated and adopted by California as part of the Alquist-Priolo Earthquake Fault Zone Act of 1972. Property in an Earthquake Fault Zone does not necessarily have a fault trace existing on the site. Earthquake Fault Zones are areas or bands delineated on both sides of known active earthquake faults. In some places, the zones are more than one-quarter of a mile wide. The potential for "fault rupture" damage (ground cracking along the fault trace) is relatively high only if a structure is located directly on a fault trace. If a structure is not on a fault trace, shaking will be the primary effect of an earthquake. During a major earthquake, shaking will be strong in the vicinity of the fault and may be strong at some distance from the fault depending on soil and bedrock conditions. It is generally accepted that properly constructed wood-frame houses are resistant to shaking damage.

SEISMIC HAZARD MAPPING ACT ZONE

Seismic Hazard Zone maps delineate areas subject to earthquake hazards. New development in a Seismic Hazard Zone is only permitted if it can be shown that mitigation makes the site acceptably safe. Maps are only available for limited areas now, but will eventually cover all of California. The hazards addressed are or will be: liquefaction, enhanced ground shaking, earthquake induced landslides, and various other ground failures. The first release of maps only addresses liquefaction and/or landslide zones.

Liquefaction Hazard Zones are areas where there is a potential for, or an historic occurrence of liquefaction. Liquefaction is a rare soil phenomenon that can occur when loose, water saturated, fine-grained sands, and silty sands that lie within 50 feet of the ground surface, are shaken in a significant earthquake. The soil temporarily becomes liquid-like and structures may settle unevenly.

Earthquake-Induced Landslide Hazard Zones are areas where there has been a recent landslide, or where the local slope, geological, geotechnical, and ground moisture conditions indicate a potential for landslides as a result of earthquake shaking.



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SAN MATEO COUNTY GEOLOGIC ZONES DISCUSSION

The County of San Mateo, separately from the State and Federal governments, has officially produced or adopted maps to delineate potential geologic and seismic hazards that are recognized at the local level. Those hazard maps are incorporated into the Seismic Safety Element of the General Plan, adopted by the County Board of Supervisors in 1978 and updated in 1986. The local-level disclosure in this report was based on the following official County map(s): "County of San Mateo Geotechnical Hazard Synthesis Map," prepared by Leighton & Associates and San Mateo County Planning Department (a part of the Safety Element of the General Plan).

The hazard zones delineated on the above map source, in addition to the statutorily-required State and Federal hazard maps, are typically considered by the County when approving land use and development permit applications under County jurisdiction. Additional maps exist in the General Plan and other maps, including updated versions of the above-referenced map(s), may exist in the files of specific County departments. Those additional map sources were not consulted for this disclosure because parcel-level details cannot be resolved at the scale and quality of the available official map, or the map is inappropriate for application to this report, or the map has not yet been officially adopted and incorporated into the County's Safety Element. As mapping technology advances, this company later may determine that some additional map sources become usable for parcel-level disclosure. The mapped County hazard zones represent evaluations of generalized hazard information. Any specific site within a mapped zone could be at less or more relative risk than is indicated by the zone designation. If a site-specific evaluation is desired, this company recommends that a geotechnical consultant be retained to study the site and issue a report.

The official County-level information addresses the potential geologic and seismic hazards itemized below:

FAULT

Earthquake Faults are divided into three categories: active faults, potentially active faults and inactive faults:

Active faults (Alquist-Priolo Earthquake Fault Zone) – represent faults that have shown evidence of displacement during the most recent epoch of geologic time, the Holocene. The Holocene epoch generally considered to have begun about 11,000 years ago. If a property is located in an Earthquake Fault Zone, it does not necessarily mean that a fault trace exists on the property or within a few hundred feet of the property. Earthquake Fault Zones are areas or bands on both sides of known or suspected active earthquake faults. In some places, the zones are more than one-quarter of a mile wide and the potential for fault rupture (ground cracking along the fault trace) damage to a structure is relatively high only if the building is located directly on a fault trace. If a structure is not built across a fault trace, then shaking will be the primary effect of an earthquake. During a major earthquake, shaking will be strong in the vicinity of the fault and may be strong at some distance from the fault depending on local soil and bedrock conditions.

Potentially active faults - faults which displace geologic formations of Pleistocene age but show no evidence of movement in the Holocene period. Pleistocene time is the period between about two million years ago and 11,000 years ago.

Inactive faults - faults which show no evidence of movement during the past two million years and show no potential for movement in the future. Inactive faults are not considered to be a high hazard, but building set-backs may be required by the county prior to construction near them.

LANDSLIDE

Landslide-prone Areas are divided into several categories. The following are considered to be the most hazardous: definite landside, active landslides, landslides mapped in the field and small landslides mapped by photo interpretation. Other areas mapped as "probable" and "suspected" or "conjectured" landslides were defined primarily by air-photo interpretation. In addition, the county has delineated areas of high landslide susceptibility.

Coastal Cliff Areas are divided into three categories: areas of low stability, areas of moderate stability and areas of high stability. An area designated as low stability is considered a high geologic hazard, since the historic rate of cliff retreat is generally greater than one foot per year. Areas of moderate and high stability have historic rates of cliff retreat of less than one foot per year.

Bedrock, Colluvial, Alluvial and Terrace deposits as well as Bedrock areas do not represent zones of high geologic hazard. **Colluvial** deposits are sediments that are deposited at the lower portions of moderately steep slopes. **Alluvial** sediments were deposited by flowing water. **Marine Terrace** deposits occur on flat, gently sloping wave eroded platforms along Pacific Coast between sea level and 500 feet in elevation with slopes generally 5% to 15%. May also include areas of beach and dune sand deposits. **Bedrock** areas encompass a variety of rock types of various ages and engineering characteristics. These areas may be subject to slope stability problems if slopes are steeper than 20% and are underlain by low-strength geologic materials.

LIQUEFACTION POTENTIAL

Bay Mud Areas represent tidal marshlands and mud flats, sometimes overlain by artificial fill. Bay mud units are primarily deposits of unconsolidated clay, silt, and sands. Earthquake-shaking intensity may range from very strong to violent in this zone.

Liquefaction is a liquid-like condition of soil which sometimes occurs during strong earthquake shaking where the groundwater is shallow and soils are loose and granular (sands for example). These factors can combine to produce liquefaction in localized areas. If a site is in an area of "High Liquefaction Potential," it does not necessarily mean that liquefaction will occur.



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TSUNAMI OR SEICHE

Tsunamis or Seiche Zones are generally coastal areas and reservoir or lake front properties. During earthquakes, tsunamis ("tidal waves") sometimes occur and can cause considerable damage to ocean side properties. In addition, seiches (large waves created in reservoirs or lakes by earthquake shaking) are possible and can cause significant damage to lake or reservoir front properties.

DAM INUNDATION

Dam Inundation Zones may be subject to flooding in the event of dam failure. These areas are defined assuming instantaneous dam failure with a reservoir full to capacity. However, dams rarely fail instantaneously; and reservoirs are not filled to capacity at all times.



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• • • END OF LOCAL AREA DISCLOSURES AND DISCUSSIONS SECTION • • •



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FORMER MILITARY ORDNANCE SITE DISCLOSURE

Determination

The subject property is **NOT WITHIN** one mile of a Formerly Used Defense (FUD) site containing military ordnance.

Discussion

FUD sites can include sites with common industrial waste (such as fuels), ordnance or other warfare materiel, unsafe structures to be demolished, or debris for removal. NOTE: most FUDS sites do not contain unexploded ordnance. California Civil Code 1102 requires disclosure of those sites containing unexploded ordnance. "Military ordnance" is any kind of munition, explosive device/material or chemical agent used in military weapons. Unexploded ordnance are munitions that did not detonate. Only those FUD sites that the USACE has identified to contain Military Ordnance or have mitigation projects planned for them are disclosed in this report. Additional sites may be added as military installations are released under the Base Realignment and Closure (BRAC) Act. Active military sites are NOT included on the FUDS list.

AIRPORT INFLUENCE AREA DISCLOSURE

Determination

Based on certain mapped Airport Influence Areas determined by a County Airport Land Use Commission, the following determination can be made:

The property is NOT IN an officially-designated Airport Influence Area (AIA) and is NOT WITHIN two (2) statute miles of an airport for which no AIA has been officially designated.

Discussion

Certain airports are not disclosed in this report. JCP has made a good faith effort to identify the airports covered under Section 1102.6a. Sources consulted include official land use maps and/or digital data made available by a governing ALUC or other designated government body. Most facilities for which an Airport Influence Area has been designated are included on the "California Airports List" maintained by the California Department of Transportation's Division of Aeronautics. Not disclosed in this report are public use airports that are not in the "California Airports List", airports that are physically located outside California, heliports and seaplane bases that do not have regularly scheduled commercial service, and private airports or military air facilities unless specifically identified in the "California Airports List". If the seller has actual knowledge of an airport in the vicinity of the subject property that is not disclosed in this report, and that is material to the transaction, the seller should disclose this actual knowledge in writing to the buyer.

JCP uses official land use maps and/or digital data made available by governing ALUC or other designated government body. Most facilities for which an Airport Influence Area has been designated are included on the "California Airports List" maintained by the California Department of Transportation's Division of Aeronautics. The inclusion of military and private airports varies by County, and heliports and seaplane bases are not included, therefore, airports in these categories may or may not be included in this disclosure.

NOTE: Proximity to an airport does not necessarily mean that the property is exposed to significant aviation noise levels. Alternatively, there may be properties exposed to aviation noise that are greater than two miles from an airport. Factors that affect the level of aviation noise include weather, aircraft type and size, frequency of aircraft operations, airport layout, flight patterns or nighttime operations. Buyer should be aware that aviation noise levels can vary seasonally or change if airport usage changes.



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MOLD ADVISORY

The Buyer is hereby advised that naturally occurring molds may exist both inside and outside of any home and may not be visible to casual inspection. Persons exposed to extensive mold levels can become sensitized and develop allergies to the mold or other health problems. Extensive mold growth can damage a structure and its contents. All prospective purchasers of residential and commercial property are advised to thoroughly inspect the subject property for mold. Be sure to inspect the property inside and out for sources of excess moisture, current water leaks and evidence of past water damage.

For molds to grow and reproduce, they need only a food source - any organic material, such as leaves, wood, paper, or dirt and moisture. Because molds grow by digesting the organic material, they gradually destroy whatever they grow on. Mold growth on surfaces can often be seen in the form of discoloration, frequently green, gray, brown, or black but also white and other colors.

As part of a buyer's physical inspection of the condition of a property, the buyer may consider engaging an appropriate and qualified professional to inspect and test for the presence of harmful molds and to advise the buyer of any potential risk and options available. This advisory is not a disclosure of whether harmful mold conditions exist at a property or not. First American Natural Hazard Disclosures has not performed testing or inspections of any kind. Any use of this form is acknowledgement and acceptance that JCP does not disclose, warrant or indemnify mold conditions at a property in any way and is not responsible in any way for mold conditions that may exist. Information is available from the California Department of Health Services Indoor Air Quality Section fact sheet entitled, "Mold in My Home: What Do I Do?" The fact sheet is available at www.cal-iaq.org or by calling (510)540-2476.

The Toxic Mold Protection Act of 2001 requires that information be developed regarding the potential issues surrounding naturally occurring molds within a home. Information was written by environmental authorities for inclusion in the *Environmental Hazards: A Guide for Homeowners, Buyers, Landlords and Tenants* booklet developed by the California Environmental Protection Agency and the Department of Health Services. It is found in Chapter VI of that booklet, and includes references to sources for additional information.

For local assistance, contact your County or City Department of Health, Housing, or Environmental Health.



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Summary Declaration of Liability Provisions

First American Natural Hazard Disclosures ("JCP"), a subsidiary of The First American Corporation, hereby declares that Recipients of a natural hazard disclosure report issued by a Member Company ("Report") pursuant to California Civil Code §1103 *et seq.* for a transaction are provided the following assurances and protections.

Recipients

- Buyers, Sellers and their respective real estate agents and brokers involved in the sale of the property for which the Report was issued.

Member Companies

- JCP Property Disclosure Reports
- LGS reports
- Property Disclosure Services, Inc.
- JCP, Inc.
- California Property Disclosure
- Safe Real Estate
- PhD (Professional Hazard Disclosure)
- NHD (Natural Hazard Disclosures)

Protections

All Recipients of a Report shall enjoy the following assurances and protections if their Report contains an error which results in damages as defined in the Report ("Error") upon proper tender of the claim:

- (1) JCP will resolve the claim promptly and in good faith.
- (2) JCP will defend a Recipient against legal action brought against that Recipient as a result of the Error or otherwise resolve the Error without economic loss to the Recipient.
- (3) Recipients will enjoy the benefits of amounts received by JCP from its errors and omissions ("E&O") insurance carrier as a result of the Error.
- (4) To the extent that economic loss resulting from the Error is not paid by the E&O insurance proceeds, JCP shall be liable for any remaining loss.

Recipients are entitled to rely on the provisions of the Report as of the close of escrow for the transaction for which said Report was issued.

By: First American Scott Roecklein, Sr. Vice President **Date:** 01/17/2007





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Terms & Conditions

First American Natural Hazard Disclosures (JCP) provides this Commercial Natural Hazard Disclosure Report as a disclosure of certain mandated natural hazard information and transmission of certain Seller provided disclosures. It provides the investor with an early cost-effective guide to aid in due diligence commitments or decision making prior to entering into purchase negotiations for a prospective property asset. Use of this report is acknowledgement of and agreement to abide by all Terms and Conditions set forth in this report.

The report is specifically prepared for the land parcel(s) identified by Assessor Parcel Number(s) (APN's) or developer's Tract and Lot numbers supplied to JCP by the client (or reasonably inferred from current owner information if that was supplied instead). In the event that the parcel identification provided us is incomplete, the subject property is assumed to comprise a single land parcel and is identified for the purposes of this report by the corresponding single APN. All parties understand that the information provided in the disclosures does not apply to any other assessors parcel number other than those identified in this report.

For the Natural Hazard Disclosures, JCP examines only the following maps: (a) NFIP Flood Insurance Rate Maps, (b) California Office of Emergency Services Dam Failure Inundation maps, (c) AB 6. Real Estate: disclosure (CDF) maps, (d) Alquist-Priolo Earthquake Fault Zone maps, (e) California Seismic Hazards Mapping Act maps (where available) (f) certain LOMR's or LOMA's (not all that exist may be available to JCP), (g) certain natural hazard Safety Element maps adopted by the county as part of its General Plan's Safety Element, (h) geologic and seismic hazard maps adopted by the city as a part of its General Plan's Safety Element only for location of the above property as identified by the seller or seller's agent. JCP relies on these official sources for the information in this report and does not produce, maintain or verify the information. Other hazard or disclosure information that may exist in a jurisdictional Safety Element, General Plan or any other source is not provided in this report. The following procedures and limitations apply to all of the disclosures on all pages of this report. Our services include, where appropriate, use of the assessors rolls, cadastral-type maps, photographic enlargements of maps and various cartographic techniques to locate the site on the appropriate map. The determination is made as accurately as reasonably possible using these said maps. For purposes of defining property lines, the assessor's parcel number and parcel maps are used. Any errors in the assessor's rolls may affect the determination procedures and JCP will not be liable for such errors

Decisions by jurisdictions relative to required studies, reports, etc. may be made using the information disclosed in this report, as well as other information in their files and/or local ordinances and procedures. Additional information which may be material to this transaction may exist in other sources not used in this report; however, research of such possible sources of the information in such sources is beyond the scope of this report and will not be reported here. The disclosure information in this report cannot be construed as a substitute for a geologic or engineering study nor that a city or county will not require such studies. No visual examination of the subject site was performed nor was a study of any jurisdiction's files or other sources made to determine the existence of any hazard which may exist on the site. This report is for the purpose of certain map-based, real estate transaction disclosures only and is not a substitute for the broker/agent property inspection. Due to changes disclosure maps, laws and contractual parties, this report cannot be relied upon for other properties or for future transactions of the subject property. **All parties should be aware that the information is subject to change.** JCP is not responsible for advising parties of any changes that may occur after the date of this report. Upon request within six months of issuing this report, JCP will update the report for no additional charge for the same transaction.

All representations regarding earthquake safety, water heater bracing, and title insurance presented in this report are provided for the buyer's convenience by the seller(s) or agent(s) of the subject property. JCP has not validated this information and takes no responsibility for its accuracy.

If any party to this transaction has concerns relative to the stability or condition of the property or if "red flags" are observed during any party's inspection, we suggest that a consultant be retained to study the site and render an opinion. This report is provided for the single property for which it was issued as of the date of this report, and has been prepared for the exclusive use of the current seller(s), their agent(s), and potential buyers of this property. The findings are not intended for use by other parties and may not contain sufficient information for the purposes of other parties or other uses. Our professional services are performed using a degree of care and skill ordinarily exercised under similar circumstances by reputable consultants. No other warranty, expressed or implied, is made as to the professional advice presented in this report.

STATUTORY PROPERTY TAX REPORT

Special Assessment and Special Tax Disclosure

<p>Parcel Number: 016-072-240</p> <p>Property Address: 225 Carmel Ave , Pacifica, Ca 94044</p> <p>County: San Mateo</p> <p>Report Date: 1/17/2007</p>	<p>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.</p>
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This report satisfies the Seller's obligation to disclose Mello-Roos taxes and 1915 Act assessments affecting this property pursuant to Civil Code Section 1102.6b, and is compliant with all provisions of Senate Bill 1122 and Assembly Bill 337.

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The following report contents meet or exceed the legal disclosure standards defined in California Civil Code Section 1102.6b:

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Buyer's Acknowledgement Summary

The information contained in this report is subject to the terms and conditions contained herein.

I (we) acknowledge that I (we) have received and read a copy of this notice. If this property is listed as subject to a Mello-Roos community facilities district special tax or a 1915 Bond Act assessment, 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. If this property is listed as subject to a Mello-Roos community facilities district special tax or a 1915 Bond Act assessment, 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 termination to the owner or agent selling the property.

Buyer Signature: _____ Date: _____

Buyer Signature: _____ Date: _____

Special Assessment Summary

This is a notification to you prior to your purchasing this property.

Parcel Number: 016-072-240
Property Address: 225 Carmel Ave , Pacifica, Ca 94044
County: San Mateo
Report Date: 1/17/2007

The above referenced property is affected by general property taxes (called ad valorem taxes), which are based on the net assessed value of your property. The ad valorem tax is charged to every taxable property in the state and is set at 1% of the net value of property each year. This basic tax rate may be increased slightly over 1% by voter approved bond issues for your school district, city or other regional project.

In addition, the above referenced property lies within the following special tax and/or special assessment districts. These assessments and taxes will be taxed in addition to ad valorem taxes each year:

STATUS	DESCRIPTION OF TAX CATEGORY -
NO	One or more Mello-Roos Community Facilities Districts
NO	One or more 1915 Bond Act Assessment Districts
YES	Other special financing districts
YES	Other direct assessments

The following disclosure is made by the Transferor pursuant to Government Code §53341.5 and Civil Code §1102.6b. The representations made in this disclosure report are based on information provided by an independent third party report provided as a substituted disclosure pursuant to California Civil Code §1103.4. Neither the Transferor nor the Transferor's agent(s) has 1) independently verified the information contained in this report, or 2) is personally aware of any errors or inaccuracies in the information contained in this form.

Report Terms and Conditions

This report for the property named herein is a product of Alliant Tax Research, Inc. (hereafter, "Alliant") and is distributed by First American NHD. The terms and conditions listed below represent the terms and conditions under which this product is sold: The purpose of this report is to provide a determination of whether the current secured property tax bill for this parcel contains a Mello-Roos special tax or a 1915 Act Bond Assessment District charge, and to assist the Seller in fulfilling his or her duty to comply with California Civil Code §1102.6b. This report is not a substitute for a title report or title insurance and may not be relied upon as such. Items not yet levied on the tax bill, items not appearing on the current tax bill, and items removed from the current tax bill for any reason may not be reflected on this report. Estimates of future charges, if provided, are only estimates and may not be inclusive. This report is for the exclusive benefit of the specific Buyer and specific Seller for which this report was prepared and there shall be no third party beneficiaries. This report may not be used in any subsequent transaction affecting the subject property. 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.

While this report contains data gathered from what Alliant believes to be reliable sources, the amount of the levy and end year may be subject to change in the future. The Maximum Tax amount provided is an estimate, calculated based on available County assessor data or third party data. Calculations may vary from those calculated by the issuer, due to several factors including differences in interpretation of the Special Tax Formula, availability of data, and change or correction of classification from year to year. Items not included on the current year tax bill but shown on this report represent an estimate and are not intended to be comprehensive. Other taxes and assessments may exist that are not yet levied on the tax bill or not levied during the tax year on the report. This report was compiled using information obtained from the County on a given date and may not reflect changes made later by the County or the local government agencies levying charges against this property. This information is subject to change and Alliant does not have a duty to update the report for any tax bill, legislative or related changes that may occur in the future. This report was prepared based upon records provided by various governmental agencies and third parties. Alliant has assumed that these agency records are accurate and complete, but Alliant has not conducted any independent verification of their accuracy or completeness. Alliant shall not be responsible for any inaccuracies or omissions in the public records of the various governmental agencies or for information provided by third parties.

Seller's Secured Tax Bill Summary

Parcel Number: 016-072-240
Property Address: 225 Carmel Ave , Pacifica, Ca 94044
County: San Mateo
Assessor's Phone #: (650) 363.4500; Tax Collector's Phone #: (650) 363-4142
Report Date: 1/17/2007

The following listing is a summary of the current year secured property tax bill. It is provided for informational purposes only. Ad valorem taxes are calculated annually based on the assessed value of the land and improvements. When a property is sold, the assessed values will be reset to the sale price. Ad valorem taxes can therefore change dramatically if the sales price differs from the current assessed value of the property.

Please Note: All information on this page is based on 2006/07 data only. Ad valorem taxes are historical and are subject to change when a home sells. No warranties are made regarding this information. The information on this page is not provided as a disclosure by seller or his/her agents.

Ad Valorem Taxes (Note: Historical only, based on the seller's tax bill)

The following include both the basic levy authorized by Proposition 13, plus any additional voter approved general obligation debt. The amount you pay will be based on the purchase price of your home less any exemptions, times the estimated tax rate.

Agency	Levy Description	Contact Phone	2006/07 Levy
County of San Mateo	Misc. Ad Valorem Tax Basic 1% ad valorem levy on net value (Proposition 13) plus voter approved overrides	(650) 599-1190	\$ 5,856.70

Total Ad Valorem Taxes: \$ 5,856.70

Special Assessments

The following include all special assessments and special taxes included on the tax bill.

Agency	Direct Assessment Description	Contact Phone	2006/07 Levy
County of San Mateo	Stormwater Assessments (Federal, State & NPDES)	(650) 599-1497	\$ 6.12
City of Pacifica	Storm Water Fee (City)	(650) 738-7369	\$ 28.00
Jefferson Unified High School Dist	Maintenance Assessment District	(800) 273-5167	\$ 28.00
County Mosquito Abatement District	Benefit Assessment (West Nile Virus Prevention)	(800) 273-5167	\$ 44.36
City of Pacifica	Sewer Service Charge	(650) 738-7369	\$ 352.08
City of Pacifica	Fire Suppression Assessment	(650) 738-7396	\$ 497.60

Total Special Assessments: \$ 956.16

Total 2006/07 Tax Bill: \$ 6,812.86

Please refer to the Notice of Special Tax and Assessment for statutory disclosure information on the following page.

Statutory Notice of Special Tax/Assessment

To the prospective purchaser of the real property known as:	Assessor's Parcel Number: 016-072-240 Address/Legal Description: 225 Carmel Ave , Pacifica, Ca 94044 Report Date: 1/17/2007
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This is a notification to you prior to your purchasing this property.

Mello-Roos Community Facilities Districts:

This property is subject to a special tax, which is in addition to the regular property taxes and any other charges and benefit assessments on the parcel. The special tax may not be imposed on all parcels within the city or county where the property is located. If you fail to pay this tax when due each year, the property may be foreclosed upon and sold. The tax is used to provide public facilities or services that are likely to particularly benefit the property.

There is a maximum tax that may be levied against this parcel each year to pay for public facilities. This amount may be subject to increase each year based on the special tax escalator listed below (if applicable). The annual tax charged in any given year may not exceed the maximum tax amount. However, the maximum tax may increase if the property use changes, or if the home or structure size is enlarged. The special tax will be levied each year until all of the authorized facilities are built and all special tax bonds are repaid. If additional bonds are issued, the estimated end date of the special tax may be extended.

The authorized facilities which are being paid for by the special taxes and the money received from the sale of the bonds are summarized below. These facilities may not yet have all been constructed or acquired and some may never be constructed or acquired.

This parcel IS NOT subject to any Mello-Roos Community Facilities District special taxes.

You should take this tax and the benefits from the public facilities and services for which it pays into account in deciding whether to buy this property. You may obtain a copy of the resolution of formation which authorized creation of the community facilities district, and which specifies more precisely how the special tax is apportioned and how the proceeds of the tax will be used, by calling the contact name and number listed above. There may be a charge for this document not to exceed the estimated reasonable cost of providing the document.

1915 Act Bond Assessment Districts:

This property is within the assessment district(s) named below. Each assessment district has issued bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within that assessment district. The bonds will be repaid from annual assessment installments on property within the assessment district.

This property is subject to annual assessment installments of the assessment district that will appear on your property tax bills, but which are in addition to the regular property taxes and any other charges and levies that will be listed on the property tax bill. If you fail to pay assessment installments when due each year, the property may be foreclosed upon and sold. The annual assessment installment against this property as shown on the most recent tax bill for the 2006/07 tax year is listed in the table below. Assessment installments will be collected each year until the assessment bonds are repaid.

The public facilities that are being paid for by the money received from the sale of bonds that are being repaid by the assessments are included in the table 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 parcel IS NOT subject to any 1915 Act Bond special assessments.

You should take this assessment and the benefits from the public facilities for which it pays into account in deciding whether to buy this property. You may obtain a copy of the resolution confirming assessments that specifies more precisely how the assessments are apportioned among properties in the assessment district by calling the contact name and number listed above. There may be a charge for this document not to exceed the estimated reasonable cost of providing the document.

Other Special Assessments

This section provides detail on other assessments (aside from the Mello-Roos and 1915 Act charges identified on the prior pages) that will affect the property.

Other Special Assessment Liens/Financing:

In some instances, local government agencies may use alternate means of financing projects, including state loans, agency loans, 1911 Act assessment district bonds, other types of improvement bonds, and other methods to pay the cost of a capital project. Also, there may be other fixed schedule items on the tax bill that must be paid over a number of years. In some cases, these amounts may be prepaid. Also, for internally financed projects, the loan may need to be paid off prior to transfer of property.

Issuer and District	Purpose of District	Start Year	End Year	Contact Phone	2006/07 Levy
City of Pacifica Fire Suppression Assessment	Funding to maintain adequate fire suppression services	2004	2009	Sandra McClellan (650) 738-7396	\$ 497.60

Other Direct Assessments:

In addition to the items listed in the previous sections, as of the 2006/07 tax year, your property is subject to the following additional Direct Assessments that do not impose special accelerated foreclosure liens on your property.

Agency	Direct Assessment Description	2006/07 Levy	Contact Phone
City of Pacifica	Sewer Service Charge	\$ 352.08	Finance Department (650) 738-7369
Jefferson Unified High School Dist	Maintenance Assessment District	\$ 28.00	Shilts Consulting (800) 273-5167
County Mosquito Abatement District	Benefit Assessment (West Nile Virus Prevention)	\$ 44.36	Shilts Consultants, Inc. (800) 273-5167
County of San Mateo	Stormwater Assessments (Federal, State & NPDES)	\$ 6.12	Public Works (650) 599-1497
City of Pacifica	Storm Water Fee (City)	\$ 28.00	Finance Department (650) 738-7369

These direct assessments and charges will appear annually on your property tax bill. In most cases, these are subject to public notice and hearing requirements (as controlled by Proposition 218) and any increases or additions must be approved by a vote of the registered landowners (or registered voters, depending upon the specific legislation). While they do not impose an accelerated foreclosure lien, they do result in an increased annual tax rate. For additional information on a particular special assessment, please call the phone number listed above.

Accelerated Foreclosure SummarySM

Important: If any items are listed below, your property has accelerated foreclosure liens attached to it. These have priority over other property taxes, and are part of the security for a municipal bond issue (or else are part of a Mello-Roos community facilities district). The issuers of these bonds are often contractually required to monitor and collect delinquent assessments quickly. There is no five year waiting period. If you fail to pay your property tax bills when due each year, the property may be foreclosed upon and sold. **Therefore, it is important to pay your property tax bill on time. If you cannot, you should contact your lender to discuss alternate arrangements.**

Mello-Roos Community Facilities Districts:

Agency/District	2006/07 Tax Year Information
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No Mello-Roos Community Facilities Districts

1915 Act Bond Assessment Districts:

Agency/District	2006/07 Tax Year Information
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No 1915 Act Bond Districts.

Other Districts That Include (or May Include) Accelerated Foreclosure:

Agency/District	2006/07 Tax Year Information
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No Additional Accelerated Foreclosure Districts.

Note: Many properties in California have Mello-Roos or other bonded assessments. As a result, these properties usually have newer amenities and other benefits that may enhance property value. However, if any items are listed on this page, as a buyer it is important to pay your tax bill on time, or arrange to have your property taxes impounded, to avoid penalties or the threat of accelerated foreclosure.

Available Senior Citizen ExemptionsSM

Assessments with an available exemption:

Agency	Direct Assessment Description	2006/07 Levy	Contact Phone
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No Senior Exemptions Available on the 2006/07 Tax Bill.

Notice of Supplemental Property Tax Bill

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Pursuant to Civil Code §1102.6c, Seller or his or her agent is providing this “Notice of Your ‘Supplemental’ Property Tax Bill”:

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

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

If you have any question concerning this matter, please call your local Tax Collector’s Office.”

Explanation of Supplemental Assessments

As stated in the official “Notice” above, State law requires the Assessor to reappraise property upon change in ownership or completion of new construction. The resulting supplemental assessment reflects the difference between the new value and the old value. The Auditor-Controller calculates the supplemental property tax, and prorates it, based upon the number of months remaining in the fiscal year in which the event occurred. The fiscal year runs from July 1 through June 30.

A change in ownership or new construction completion which occurs between January 1 and May 31 results in **two** supplemental assessments and **two** supplemental tax bills. The first supplemental bill is for the remainder of the fiscal year in which the event occurred. The second supplemental bill is for the subsequent fiscal year.

Notices of Assessed Value Change are normally mailed to property owners before supplemental tax bills are issued. Remember that supplemental tax bills are **in addition to** the regular annual tax bills. Supplemental bills go directly to the property owner, and not to an impound account - where one might exist.

On following of this report, a **SUPPLEMENTAL TAX BILL(S) ESTIMATOR** is provided for the buyer to **estimate** the amount of the supplemental tax bill(s). It does **NOT** include the amount of the regular secured Property Tax Bill. It is only an estimate for the buyer’s planning purposes.

Tax Estimators

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Property Tax Estimator

The following schedule is offered as an aid in estimating the amount of property tax that will be levied on the property this year based on an assessed valuation equal to the selling price. The estimate is not a substitute for a tax bill, nor does it anticipate new property tax charges or fees or other changes in property tax rates for the next tax year.

1	Estimated Sales Price	• 1	\$	
2	Estimated Ad Valorem Tax Rate	• 2	\$	0.01081
3	Multiply line 1 by line 2. This is your Estimated Ad Valorem Taxes	• 3	\$	
4	Direct / Special Assessments.	• 4	\$	956.16
5	Add lines 3 and 4. This is your Estimated Total Annual Property Tax Amount	• 5	\$	

NOTE: The amount estimated on Line 5 **may not** appear on the first annual property tax bill because reassessment by the county is not immediate. For that reason you may receive one or two **Supplemental Tax Bill(s)** that are independent of the regular annual property tax bill until the new assessed value is included on the annual property tax bill. To estimate the amount of the Supplemental Tax Bill(s), use the form below.

Supplemental Tax Bill Estimator

The following schedule is provided for you to **estimate** the potential amount of the supplemental **ad valorem** tax on a given property. It does **NOT** include the amount of the regular annual Property Tax. This provides an estimate of the "Supplemental Property Tax Bill(s)" that you can expect to receive during the first year of ownership, and is for your planning purposes only.

1	Estimated Sales Price	• 1	\$	
2	Estimated Current Assessed Value	• 2	\$	541,535.00
3	Subtract line 2 from line 1. This is your Estimated Supplemental Assessed Value	• 3	\$	
4	Multiply line 3 by 0.01081 (The Estimated Ad Valorem Tax Rate for your property) This is your Estimated Full-Year Supplemental Tax Obligation	• 4	\$	

Supplemental Tax Estimator continued on following page

Supplemental Tax Bill Estimator (continued)

If your Close of Escrow falls during the months of January through May, you will receive TWO Supplemental Tax Bills, one for the current partial tax year and one for the next full tax year. Estimate the Supplemental Tax Bill amounts with lines 5 through 8 below:

5	Enter the factor for the Month of Sale from TABLE 1 below.	• 5	\$	
6	Multiply line 4 by line 5. This is the amount of your estimated Supplemental Tax Bill # 1	• 6	\$	
7	Enter the amount on line 4. This is the amount of your estimated Supplemental Tax Bill # 2	• 7	\$	
8	Add lines 6 and 7. This is your total estimated Supplemental Tax Bill	• 8	\$	

If your Close of Escrow falls during the months of June through December, you will receive ONE Supplemental Tax Bill. Estimate the Supplemental Tax Bill amount with lines 9 and 10 below:

9	Enter the factor for the Month of Sale from TABLE 2 below.	• 9	\$	
10	Multiply line 4 by line 9. This is the amount of your total estimated Supplemental Tax Bill	• 10	\$	

Table 1. Month of Sale Factor	
Jan	0.4170
Feb	0.3333
Mar	0.2500
Apr	0.1667
May	0.0866

Table 2. Month of Sale Factor	
Jun	1.0000
Jul	0.9167
Aug	0.8333
Sep	0.7500
Oct	0.6670
Nov	0.5830
Dec	0.5000

The information on this page is an estimate only. The purpose of this “ESTIMATOR” is to assist the taxpayer in planning for his/her supplemental taxes. The estimated supplemental tax shown herein is not a substitute for the supplemental bill and may not be relied upon as such. This “ESTIMATOR” requires the buyer’s projection of the Purchase Price as well as Month in which the transaction is completed. No potential exemptions are reflected in these determinations. FANHD shall not be responsible or liable for any losses, liabilities or damages resulting from use of this Supplemental Tax Estimator or the Property Tax Estimator.

General Information about Your Property Tax Bill

California's secured property tax bills consist of two types of charges: 1) ad valorem taxes and 2) special assessments. These are explained briefly below.

1) Ad Valorem Taxes

Ad valorem taxes are based on the value of property. The basic ad valorem tax is the statewide tax authorized by California law. This general tax is 1% of the assessed value of the property each year. This tax is shared by the state, schools, cities and counties. In addition, voters can approve local additional ad valorem overrides that put the ad valorem tax rate over 1%. These overrides normally involve general obligation bond debt. These general obligation bonds do not place a special lien on any one property but simply increase the ad valorem tax rate slightly over 1%.

2) Special Assessments

Anything that is not an ad valorem tax is called a "special assessment" or a "direct assessment." These charges are local in nature and are used to fund local improvements or public services that provide some type of general or direct benefit to the property. Special assessments are not tax rates and by law cannot be based on the value of property. Instead, each special assessment district has some type of benefit formula that is used to calculate the amount of the assessment on each parcel. Special assessments can be levied using a variety of laws, including the Mello-Roos Community Facilities Act of 1982; various assessment district bond acts such as the 1915 Act or 1911 Act; or through a variety of non-bonded charges such as the 1972 Act Landscape and Lighting Act, the 1982 Benefit Assessment Act, user fees, service charges and other methods. Some commonly used types of special assessments are:

- a) **Mello-Roos Community Facilities Districts.** This is a type of special assessment financing frequently used to fund infrastructure, schools and many types of public services such as police, fire, landscaping, etc. A Mello-Roos district may or may not involve a bond sale. Mello-Roos districts place a senior lien on the property that has a provision for accelerated foreclosure action by the levying agency if property taxes are not paid on time. Because of this, California law now requires disclosure of Mello-Roos taxes in real estate transactions.
- b) **1915 Bond Act Assessment Districts.** This is another type of special assessment financing method frequently used to fund infrastructure and other public improvements in California. The 1915 Act is a bond act only, meaning another assessment district formation act must be used to form the boundaries of the district before 1915 Act bonds may be sold. These formation districts are usually one of these: the 1913 Act, the 1911 Act or the 1972 Act. Issuance of 1915 Act bonds places a senior lien on the property that has a provision for accelerated foreclosure action by the bond issuer if property taxes are not paid on time. Because of this, California law now requires disclosure of assessments securing 1915 Act bonds in real estate transactions.
- c) **Other Bonded Districts.** In addition to Mello-Roos and the 1915 Act, there are other types of land-secured bonds that may impact California property. These include improvement bonds issued under the 1911 Act or other improvement bonds issued under county or charter city laws. Some of these do include the power of accelerated foreclosure; the Alliant tax report will include such items on the "Summary of Items Subject to Accelerated Foreclosure" page.
- d) **Maintenance Districts.** In most newer communities in California, the cost of maintaining common areas, landscaping, street lighting, storm drains and parks is often handled through Landscape and Lighting Maintenance Assessment Districts. These may be formed under the 1972 Landscaping and Lighting Act or other legislation; these are approved annually through a public hearing process. They may have a cost-of-living increase or other formula but must be renewed every year. These districts are often referred to as "cost recovery districts" since they provide a means for government to provide a specific service and have the cost recovered through assessing those properties that benefit from the services.
- e) **User Fees and Service Charges.** Many municipalities charge user fees for services to the property such as water and sewer. Instead of billing the property owner directly for monthly or quarterly fees, the service charge is collected annually on the property tax bill.
- f) **Standby or Availability Charges.** Local agencies that provide water and sewer services are also authorized to levy Standby or Availability Charges. These annual assessments are charged to help fund the future availability of services to the area or the expansion of services to meet future growth.
- g) **County Service Areas, Community Services Districts and Permanent Road Divisions.** In unincorporated areas of a county, the county may provide services to specific areas through the formation of a County Service Areas ("CSA") or a Community Services District. Then, a specific community may receive enhanced services such as road maintenance, landscaping, street lighting and park maintenance, and repay the county (or itself, if a Community Services District) through special service charges or assessments. Permanent Road Divisions are a similar type of entity formed by a county to provide road improvement and maintenance in unincorporated areas.
- h) **Benefit Assessments and Parcel Taxes.** School Districts and other local agencies commonly levy voter-approved annual special parcel taxes or benefit assessments. These are annual charges that pay for specific service. Commonly used benefit assessments and parcel taxes are those to pay for schools, fire protection, flood control and storm water maintenance or police services.
- i) **Penalties.** Local agencies have the ability to place delinquent account charges for property related services or civil penalties directly on the tax bill. These may include delinquent utility bills, fees for parcel cleanup and weed abatement and fees for civil penalties.