

ADDENDUM CHANGES:

• **Section 2, Snow Removal:** The verbiage was amended to include an option to have a proration of the cost of the snow removal contract. The default is no cost to the Buyer with an option to check a box and have the cost prorated.

If the existing snow removal agreement is transferrable to Buyer, then the Seller will assign that agreement to Buyer and the annual cost of that agreement will .(or will NOT) be prorated at Close of Escrow.

• **Section 3, Use of Propane:** Added back the proration as one of two options to deal with the unused proration. The language added to the addendum was discussed and incorporated in a draft form.

C. Unused Propane Agreement Options:

1.0 The Parties understand, acknowledge and agree that the propane tank may or may not contain propane at close of escrow. Any remaining propane in the tank at close of escrow shall transfer to Buyer at no cost to the Buyer.

2.0 In order for the Seller to receive a proration for the unused propane, Seller must cause a reading of the propane meter by Seller's propane supplier and provide a written statement from supplier to Title of current reading and rate within 5 Days prior to close of escrow. Seller's failure to provide this information in the timeframe stated nullifies the pro ration and defaults to C 1.0 above.

• **Electronic Signatures:** Removed the "Print Name" lines as the names appear on the first page of the document. However, the Committee elected to keep the "Print Name" lines on the Advisory as there are no names or property address identifiable on the document.

• Section 7: Added "For properties located in the Tahoe Donner Sub-Division," for clarification.

7. For properties located in the Tahoe Donner Sub-Division, The the Tahoe Donner Association ("TDA") has a "Homeowner Property Inspection", ("HOIP"), designed to maintain a minimum exterior standard of appearance. The inspection focuses on advising Homeowners whose exterior property may be in need of improvement to keep with the Association's standards. These maintenance items are identified and a reasonable deadline is established for performing the maintenance as identified. The HOIP mandates that a TDA Homeowner Property "Street View Inspection" be conducted when there is a transfer of ownership; however, the Seller and Buyer can agree as to whether the Seller obtains that "Street View Inspection" prior to the close of escrow or if the "Inspection only" will occur after escrow closes.

• Updated the revision date to May 2018.

ADVISORY CHANGES:

Section 2.2, Properties within an Homeowner's Association (HOA): Made language generic to ALL HOA's and not specifically to the Glenshire HOA.

~~2.2. **Properties within an Homeowner's Association (HOA):** If the Property is within a Homeowner's Association, (HOA), the HOA may perform an inspection of the Property to determine if it is compliant with current CC&R's. Any negative findings by the HOA may be required to be addressed within a certain timeframe by the Homeowner. Buyer is advised to check with the HOA regarding any compliance issues with the respective property.~~

~~**Glenshire/Devonshire Residents Association (GDRA):** GDRA will perform an inspection of the Property to determine if it is compliant with the current CC&Rs. Any negative findings by the GDRA are required to be addressed within 45 days from receipt of their notice. Buyer is advised to check with GDRA regarding any compliance issues.~~

• **Section 3.0, Defensible Space Ordinances:** Added language to reflect that HOA's and Communities have also enacted defensible space inspection ordinances.

3. Defensible Space Ordinances: California law requires that homeowners maintain defensible space if the Property is located within an area subject to substantial forest fire risks and hazards. Fire hazard mitigation may be required for this Property. If the Seller is obligated to provide Buyer with a Natural Hazards Disclosure Statement ("NHDS"), that report will specify whether or not the Property is located within a fire hazard zone. 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. Some local governing agencies, Homeowner's Associations, (HOA), and have Communities, have also enacted additional defensible space ordinances and inspection programs. Property owners must comply with established standards for fire prevention and defensible space standards. Questions on this topic should be directed to the Department of Forestry or contact the local Fire Protection District. The contact information for many of those local areas are included below:

• **Section 3.8, Fire Sprinkler System:** Language deleted from section 3.8 and added as section 6.

~~**3.8. Fire Sprinkler System:** If the Property has a fire sprinkler system, it may be required to be periodically tested.~~

6. Fire Sprinkler System: If the Property has a fire sprinkler system, it may be required to be periodically tested.

- **Section 4, Wildfire Hazard – Fire Hazard Severity Zones:** Added new section. The Tahoe and Truckee area has been saddled by both State Government mapping and private real property insurance companies as a “High Wildfire Hazard Severity Area”.

4. Wildfire Hazard – Fire Hazard Severity Zones: Wildfires are threat to life and property. California State Law requires the California Department of Forestry and Fire Protection (CAL FIRE) to generate and periodically update their assessment and designation of lands as being in “moderate”, “high”, or “very high” Fire Hazard Severity Zones (FHSZ). The FHSZ maps were updated statewide in 2007, and again in 2018. Unincorporated areas of a county with wildland areas determined to possess substantial wildfire hazards are referred to as State Responsibility Areas (SRA) (ref. Public Resources Code, sections 4125-4137, and PRC 4201-5); while incorporated cities and towns with very high fire hazard severity zones are referred to as Local Responsibility Areas (LRA) (ref. Government Code, sections 51175-51189). As of 2018, the California Insurance Commissioner reported that within the “Wildland-Urban Interface” more than one-million homes are identified as being at high or very high fire risk. To determine if a particular property is within one of these high fire hazard zones, for SRA covered areas one can enter the property address at www.myhazards.caoes.ca.gov or www.fire.ca.gov, for LRA covered areas one must contact the local authority (Building & Planning Department) for information.

- **Section 5, Wildfire Hazard Mapping and Insurance:** Added new section. The Tahoe and Truckee area has been saddled by both State Government mapping and private real property insurance companies as a “High Wildfire Hazard Severity Area”.

5. Wildfire Hazard Mapping and Insurance Challenges: The availability and affordability of homeowners’ insurance coverage for properties within the Wildland-Urban Interface can be problematic. Homeowners’ insurance policies in such High and Very High Fire Hazard Severity Zones are difficult to secure, and even if a policy will be written for the property, the cost may be unaffordable to many potential buyers. Private insurers set their own underwriting guidelines to assess risk, and are not required to write policies where they have determined that the home in question faces too high a risk. The inability to obtain affordable homeowners’ insurance coverage is an ongoing problem in the region. Cancellations or non-renewals of existing homeowners’ policies are also an ongoing concern. Consumers are urged to explore the availability of and rates for policies to provide adequate homeowners’ coverage. It is important for those considering the purchase of real property to consider the potential limited availability of coverage and higher premiums often associated with high fire hazard regions.

- **Section 5, Flood Plain:** Changed to section 7.
- **Section 6, Avalanche Area:** Changed to section 8.

- **Section 9, SQUARE FOOTAGE, NUMBER OF ROOMS AND AGE:** Added new section. Considering the legal case in Southern California, it was felt that over communicating this topic would be a good thing even though it is covered to a lesser extent in the CAR SBSA.

9. SQUARE FOOTAGE, NUMBER OF ROOMS AND AGE: Multiple sources provide data regarding square footage, number of rooms, number of units and age. These different sources, including but not limited to Sellers and Appraisers, often have quite different opinions regarding square footage; public records which also contain that data may be, and often are, inaccurate yet the Multiple Listing Service (“MLS”) auto-populates Assessor information into their listings. As such, there are frequent discrepancies in the advertised measurement or other data relating to structures on real property. Any statements from any source regarding square footage, size or age of Property improvements (whether contained in the MLS, advertisements, computer generated property profiles, disclosures and/or reports) have not been verified and will not be verified by Brokers. If the estimated and/or exact square footage, number of rooms or age of the Property are important factors in Buyers’ decision to purchase the Property and/or in determining what price to pay, Buyers should independently verify that data by hiring an Appraiser or other qualified professional during Buyers’ inspection period, if any.

- **Section 10, LOT SIZE AND BOUNDARIES:** Added new section. Considering the legal case in Southern California, it was felt that over communicating this topic would be a good thing even though it is covered to a lesser extent in the CAR SBSA.

10. LOT SIZE AND BOUNDARIES: Only a land surveyor can reliably determine actual lot size, property corners, and the exact location of boundaries. Statements regarding these issues in the MLS, advertisements, computer generated property profiles, data in property tax assessor records or any disclosures are often approximations, or based upon inaccurate or incomplete records. Fences, hedges, walls or other barriers may not represent actual boundary lines. Brokers have not verified any statements made by anyone regarding lot size and boundaries. If these issues are important to Buyers, they should not rely on any statements made by anyone without independently investigating these issues by hiring a licensed surveyor during Buyers’ inspection period, if any.

- **Section 8, Foilage:** Changed to section 11.
- **Section 9, Wildlife:** Changed to section 12.
- **Section 10, Carbon Monoxide Detection Devices Required:** Section deleted.

~~**10. Carbon Monoxide Detection Devices Required:** Effective Jul 1, 2011, California law requires all “dwelling units intended for human occupancy” that have fossil fuel burning appliances, fireplaces, or an attached garage to be~~

~~retrofitted with a carbon monoxide (CO) detection device. This includes single-family dwellings, factory-built homes, duplexes, lodging houses, condominiums, stock cooperatives, time-share projects, or dwelling units in a multiple-unit dwelling unit building or buildings. After January 1, 2013, Landlords will be required to install, test and maintain CO devices in rental units. The devices may be battery-powered, or a plug-in device with a battery back-up, and must be tested and certified pursuant to the American National Standards Institute (ANSI) and UL. The law requires an owner to “install the devices in a manner consistent with building standards applicable to new construction for the relevant type of occupancy or with the manufacturer’s instructions, if it is technically feasible to do so.” Local jurisdictions may enact additional CO detector installation requirements as long as they do not conflict with the state law.~~

- **Section 11, Liquefied Petroleum Gas (LPG) Systems, (aka Propane):** Changed to section 13.

- **Section 12, Radon Gas:** Changed to section 14. Amended language in the second to last sentence from “prior to close of escrow” to “prior to Buyer removal of contingencies per paragraph 14B.”

14. Radon Gas: Radon is an invisible and odorless gaseous radioactive element. You cannot see, smell or taste radon. When you breathe air containing radon, you increase your risk of getting lung cancer. Testing is the only way to find out radon levels in a home. EPA and the Surgeon General recommend testing all homes on the lowest level for radon. If you find that you have high radon levels, there are ways to fix a radon problem. Even high levels can be reduced to acceptable levels. **PURCHASERS ARE HEREBY NOTIFIED AND UNDERSTAND THAT RADON GAS MAY HAVE THE POTENTIAL TO CAUSE SERIOUS HEALTH PROBLEMS.** Should you have concerns about radon gas in the property you are acquiring, it is ~~recommend~~ recommended that you have a radon test performed by a qualified environmental professional as either a separate test or an add-on to their whole house inspection prior to Buyer removal of contingencies within the timeframes specified in the purchase agreement closing. Real Estate Brokers and Agents are not generally qualified to advise purchasers on radon treatment or its health and safety risks.

- **Section 13, Sewer & Septic:** Changed to section 15.

- **Section 14, Truckee Donner Public Utility District (TDPUD) Special Water Assessments:** Changed to section 16. Deleted the Glenshire paragraph as the Glenshire water rate surcharge no longer exists.

16. Truckee Donner Public Utility District (TDPUD) Special Water Assessments:

- **Donner Lake:** Donner Lake area properties are subject to a 1915 Special Assessment District assessment. The purpose of the assessment is to cover the costs for TDPUD to acquire and rebuild a privately owned water company at Donner Lake. Any questions regarding this assessment should be directed to TDPUD at (530) 587-3896.

~~• **Glenshire:** Glenshire area properties are subject to a water rate surcharge to cover the costs of connecting the Glenshire Mutual Water District to the TDPUD system. Any questions regarding this lien issue should be directed to TDPUD at (530) 587-3896.~~

- **Section 15, Sierra Lakes County Water District Assessment:** Changed to section 17.

- **Section 16, Waterfront Property:** Changed to section 18.

- **Section 17, Shoreline and Lake Levels:** Changed to section 19.

- **Section 18, Wet Lots:** Changed to section 20.

- **Section 19, Water Conservation Plumbing Fixtures:** Section deleted. CAR Form WCMD, 12/16, covers the topic as well as the TDS and SPQ makes mention of this from a Seller disclosure.

~~**19. Water Conservation Plumbing Fixtures:** Section 11-1.4 of the Civil Code requires all single family residences built on or before January 1, 1994 to be equipped with water conservation plumbing fixtures after January 1, 2017. Additionally, on and after January 1, 2014, a single family residence built on or before January 1, 1994, that is altered or improved is required to be equipped with water conserving plumbing fixtures as a condition of final approval.~~

- **Section 20, Winterization, Freezing Conditions and Snow Impacts:** Changed to section 21.

- **Section 21, Vacation Rentals:** Changed to section 22. Amended language.

22. Vacation Rentals: Vacation rental properties are subject to local government and /or Tahoe Regional Planning Agency limitations, licensing, permits, and taxation and may be subject to subdivision and Homeowners Association Covenants, Conditions, and Restrictions all of which may be subject to change. If these rental properties are offered to the public, the owner and real estate agent must act in compliance with all Fair Housing regulations including but not limited to providing unrestricted access to potential tenants with service/companion animals. Buyer is advised to seek independent counsel and investigate into current, ~~and~~ pending and contemplated rules and regulations related to vacation rental use, insurance, and Transient Occupancy Tax (TOT).

- **Section 22, Airports, Railways and Resorts:** Changed to section 23.
- **Section 23, Potential Future Development Lands:** Changed to section 24.
- **Section 24, Fire Prevention Fee Assessment:** Section deleted. This fee has been suspended as of July 25, 2017.

~~**24. Fire Prevention Fee Assessment:** The property may be subject to the Fire Prevention Fee assessment issued by the State Board of Equalization (BOE) on behalf of the California Department of Forestry and Fire Protection (CAL FIRE). The fee is assessed on owners of habitable structures located on a parcel within the State Responsibility Area (SRA). The assessment is issued pursuant to Public Resource Code section 4212(a). For further information, please visit the CAL FIRE website at www.firepreventionfee.org or you may call the Fire Prevention Fee Service Center at 1-888-310-6447. Brokers have not and will not verify the applicability or amount of this assessment on any property.~~

- **Section 30, Wire Fraud Scam Alert:** Section deleted. WFA form adequately addresses this matter.

~~**30. Wire Fraud Scam Alert:** Recently there is a small but growing scheme in which Buyers and Sellers have received e-mails from their agent or an escrow company providing wire transfer information for money from Buyer to Escrow, or to Seller for proceeds from Escrow. Hackers intercept these e-mails and then alter the wire transfer instructions to re-direct the funds to the hacker's account with an off-shore bank. **DO NOT EVER WIRE FUNDS PRIOR TO CALLING THE ESCROW OFFICER AT THE NUMBER PREVIOUSLY PROVIDED TO YOU and confirming verbal wire transfer instructions before taking steps to have the funds transferred.** If you have received questionable wiring instructions, notify your bank, real estate agent and the Escrow holder, as well as the FBI at: <https://www.fbi.gov/> and the Internet Crime Complaint Center at: www.ic3.gov/~~

- Updated the revision date to May 2018.