



Watkins Realty Group Disclosure Notice

1031 EXCHANGE

Watkins Realty Group highly recommends for you to consult a CPA and or attorney regarding your possible tax and legal ramifications resulting from the sale of real property.

FINANCIAL DISCLOSURE

Broker has a business relationship with the companies listed in this Disclosure, in that each of the companies is wholly or partially owned either directly or indirectly by Broker. These extra services are provided to make your purchase or sale as simple as possible. Because of these relationships, the referral of business to these companies may provide us, our employees or other related parties a financial or other benefit.

- **Watkins Home Loans**, a state licensed mortgage broker providing conventional and other types of financing and refinancing for real property owners.
- **WRG Property Management**, part of our real estate division, provides full-service management for single family homes, condos, townhouses, and multifamily residential units.

You are not required to use any of the listed companies as a condition of the purchase or sale of any real property. You are free to shop around to determine that you are receiving the best services and rate.

LICENSING AND RELATIONSHIP

(Name) _____ (Buyer or Seller) is a licensed real estate salesperson or broker.

(Name) _____ an agent(s) in this transaction, is related to one of the principals as follows _____

STATE PROPOSED ROUTES

Buyer(s) are advised that the State of California through the Department of Transportation (Cal Trans) studies and plans for various transportation routes and freeways. Buyer(s) are encouraged to contact Caltrans representative(s) responsible for projects in order to obtain any information that affects their decision to purchase in the vicinity of these routes, (www.dot.ca.gov).

DOCUMENT REVIEW

Interpreting and verifying certain documents such as building permits, title reports, homeowners association documents, CC&R's and loan documents are beyond the scope of the brokers involved and their agents' expertise. Buyers are advised to seek the advice of the appropriate professional when reviewing such documents.

Buyer's Initials _____

Seller's Initials _____

Buyer's Initials _____

Seller's Initials _____

BUILDING PERMITS

The lack of building permits without a final inspection sign off may have a material effect on the value or desirability of the property. Buyer is advised to independently investigate the existence and status of all permits within the time frames agreed on in the purchase agreement. Watkins Realty Group believes it is beyond the scope of our agent's duty to make the above investigation. You may call the City Building Permits Division to check on existence or lack of permits over the phone, or you may go in person to the City for photocopies of existing permits. The City can also provide information on the types of work that call for permits, but you should be aware that work done many years ago which might require a permit today might not have required one at the time the work was done. In some cases, the work may have been done prior to the permitting process (circa 1958).

DEFECTIVE FURNACES

In September 2000, the U.S. Consumer Product Safety Commission (CPSC) issued a warning that certain gas-fired horizontal forced air furnaces manufactured by Consolidated Industries/ Premier Furnace Company may present a substantial risk of fire. The safety alert is directed at furnaces equipped with steel "NOx" rods installed above the burners to control the emission of nitrogen oxide compounds. The suffix "X" at the end of the model number designates those furnaces with steel rods. Watkins Realty Group advises all clients to have a licensed heating contractor inspect for safety. Consumers may contact the CPSC's hotline at (800) 638-2772 and/or can obtain this release and recall information at CPSC's web site at <http://www.cpsc.gov>.

INDEMNIFICATION

Buyer and Seller agree that Broker(s) shall be indemnified and held harmless from the following: (a) any claims for personal injury, property damage, or loss in value of the property arising from or related to the physical condition of the property including, without limitation, any soils, structural or design problems; (b) any claims or action arising from or due to any inaccuracy in the Disclosure Statement completed by Seller; (c) any actions concerning the verification of any items mentioned in this addendum; (d) any dispute or action concerning or arising from Buyer's decision to purchase said property; (e) any claims, disputes or actions relating to the choice of companies or vendors providing products or services relating to the inspection, financing, or purchase of said property; (f) any responsibility for the completion of repairs to the subject property, including but not limited to, structural pest control work; (g) any and all costs and expenses, including reasonable attorney's fees and costs suffered or incurred in connection with any of the above matters of indemnification; (h) any liability resulting from any improvement which has not received necessary governmental approval(s) and (i) any pending or future litigation between any homeowners' association and builder. It is the Buyer's responsibility to ascertain this information directly from a homeowners' association and/or management company, if any.

ACKNOWLEDGEMENT

I/we have read and received a copy of this disclosure notice. The undersigned hereby release WATKINS REALTY GROUP, its' Brokers, Agents and Employees, and hold them harmless of any future liability in connection with the above.

Date _____

Date _____

Seller _____

Buyer _____

Seller _____

Buyer _____