

*Department of Real Estate
of the
State of California*

**FINAL SUBDIVISION PUBLIC REPORT
PLANNED DEVELOPMENT**

In the matter of the application of

WILLIAM LYON HOMES, INC.,
A CALIFORNIA CORPORATION

FILE NO.: 167131SA-F00

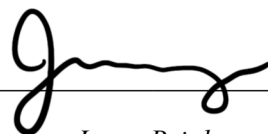
ISSUED: JULY 22, 2021

EXPIRES: JULY 21, 2026

for a Final Subdivision Public Report on

SUBDIVISION 9497, VISTA DEL MAR II
SERENE AT VISTA DEL MAR, PHASE 24

DEPARTMENT OF REAL ESTATE

by  _____
Jenny Brinlee

CONTRA COSTA COUNTY, CALIFORNIA

CONSUMER INFORMATION

- ◆ **This report is not a recommendation or endorsement of the subdivision; it is informative only.**
- ◆ **Buyer or lessee must sign that (s)he has received and read this report.**
- ◆ A copy of this subdivision public report along with a statement advising that a copy of the public report may be obtained from the owner, subdivider, or agent at any time, upon oral or written request, *must* be posted in a conspicuous place at any office where sales or leases or offers to sell or lease interests in this subdivision are regularly made. [Reference Business & Professions (B&P) Code Section 11018.1(b)]

This report expires on the date shown above. All material changes must be reported to the Department of Real Estate. (Refer to Section 11012 of the B&P Code; and Chapter 6, Title 10 of the California Administrative Code, Regulation 2800.) Some material changes may require amendment of the Public Report; which Amendment must be obtained and used in lieu of this report.

Section 12920 of the California Government Code provides that the practice of discrimination in housing accommodations on the basis of race, color, religion, sex, marital status, domestic partnership, national origin, physical handicap, ancestry, gender identity, gender expression, sexual orientation, familial status, source of income, disability, or genetic information is against public policy.

Under Section 125.6 of the B&P Code, California real estate licensees are subject to disciplinary action by the Real Estate Commissioner if they discriminate or make any distinction or restriction in negotiating the sale or lease of real property because of the race, color, sex, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, or physical handicap of the client. If any prospective buyer or lessee believes that a licensee is guilty of such conduct, (s)he should contact the Department of Real Estate.

Read the entire report on the following pages before contracting to buy or lease an interest in this subdivision.

COMMON INTEREST DEVELOPMENT GENERAL INFORMATION

Common Interest Development

The project described in the attached Subdivision Public Report is known as a common-interest development. Read the Public Report carefully for more information about the type of development. The development includes common areas and facilities which will be owned and/or operated by an owners' association. Purchase of a lot or unit automatically entitles and obligates you as a member of the association and, in most cases, includes a beneficial interest in the areas and facilities. Since membership in the association is mandatory, you should be aware of the following information before you purchase:

Governing Instruments

Your ownership in this development and your rights and remedies as a member of its association will be controlled by governing instruments which generally include a Declaration of Restrictions (also known as CC&R's), Articles of Incorporation (or association) and bylaws. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a subdivision interest.

Assessments

In order to provide funds for operation and maintenance of the common facilities, the association will levy assessments against your lot or unit. If you are delinquent in the payment of assessments, the association may enforce payment through court proceedings or your lot or unit may be liened and sold through the exercise of a power of sale. The anticipated income and expenses of the association, including the amount that you may expect to pay through assessments, are outlined in the proposed budget. Ask to see a copy of the budget if the subdivider has not already made it available for your examination.

Common Facilities

A homeowner association provides a vehicle for the ownership and use of recreational and other common facilities which were designed to attract you to buy in this development. The association also provides a means to accomplish architectural control and to provide a base for homeowner interaction on a variety of issues. The purchaser of an interest in a common-interest development should contemplate active participation in the affairs of the association. He or she should be willing to serve on

the board of directors or on committees created by the board. In short, "they" in a common interest development is "you". Unless you serve as a member of the governing board or on a committee appointed by the board, your control of the operation of the common areas and facilities is limited to your vote as a member of the association. There are actions that can be taken by the governing body without a vote of the members of the association which can have a significant impact upon the quality of life for association members.

Subdivider Control

Until there is a sufficient number of purchasers of lots or units in a common interest development to elect a majority of the governing body, it is likely that the subdivider will effectively control the affairs of the association. It is frequently necessary and equitable that the subdivider do so during the early stages of development. It is vitally important to the owners of individual subdivision interests that the transition from subdivider to resident-owner control be accomplished in an orderly manner and in a spirit of cooperation.

Cooperative Living

When contemplating the purchase of a dwelling in a common interest development, you should consider factors beyond the attractiveness of the dwelling units themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interests of the individual. Remember that managing a common interest development is very much like governing a small community ... the management can serve you well, but you will have to work for its success. [B & P Code Section 11018.1(c)]

Informational Brochure

The Department of Real Estate publishes the ***Living in a California Common Interest Development*** brochure. The information in this brochure provides a brief overview of the rights, duties and responsibilities of both associations and individual owners in common interest developments. To review or obtain a **free** copy of this brochure, please visit the Department of Real Estate (DRE) website: www.dre.ca.gov

THIS FINAL SUBDIVISION PUBLIC REPORT COVERS DRE PHASE 24, "SERENE AT VISTA DEL MAR" ("**SUBDIVISION**" OR "**PHASE**") WHICH CONSISTS OF RESIDENTIAL LOTS 222 THROUGH 227, INCLUSIVE, RESIDENTIAL LOTS 238 THROUGH 243, INCLUSIVE, (EACH OF WHICH IS REFERRED TO HEREIN AS A "**LOT**") AND WELLSRING LANE ("**ASSOCIATION PROPERTY**") LOCATED ON THE FINAL MAP FOR SUBDIVISION 9497. THE LOTS AND ASSOCIATION PROPERTY ARE BEING DEVELOPED BY WILLIAM LYON HOMES, INC., A CALIFORNIA CORPORATION. ("**SUBDIVIDER**").

THE PHASE IS PART OF A MULTI-PHASE RESIDENTIAL DEVELOPMENT ("**COMMUNITY**") THAT WILL BE SUBJECT TO THE JURISDICTION OF THE VISTA DEL MAR II HOMEOWNERS ASSOCIATION ("**ASSOCIATION**").

SPECIAL INTEREST AREAS IN THIS FINAL SUBDIVISION PUBLIC REPORT: YOUR ATTENTION IS ESPECIALLY DIRECTED TO THE PARAGRAPHS BELOW ENTITLED: CONDITIONAL SUBDIVISION PUBLIC REPORTS, EASEMENTS, MANAGEMENT AND OPERATION, MAINTENANCE AND OPERATIONAL EXPENSES, USES/ZONING/HAZARD DISCLOSURES, TITLE, TAXES, FINANCING, PURCHASE MONEY HANDLING, SOILS AND GEOLOGIC CONDITIONS, UTILITIES AND OTHER SERVICES.

NOTE: IN ADDITION TO THESE AREAS, IT IS IMPORTANT TO READ AND THOROUGHLY UNDERSTAND THE REMAINING SECTIONS SET FORTH IN THIS FINAL SUBDIVISION PUBLIC REPORT PRIOR TO ENTERING INTO A PURCHASE AGREEMENT (TOGETHER WITH ALL APPLICABLE ESCROW INSTRUCTIONS, ADDENDA AND AMENDMENTS, COLLECTIVELY, THE "**CONTRACT**") TO PURCHASE PROPERTY IN THE SUBDIVISION.

BEFORE SIGNING, YOU SHOULD READ AND THOROUGHLY UNDERSTAND ALL SALES CONTRACT AND LOAN DOCUMENTS. IF YOU DO NOT UNDERSTAND THE TERMS OF YOUR CONTRACT OR LOAN DOCUMENTS, YOU MAY WISH TO CONSIDER CONSULTING WITH YOUR OWN ATTORNEY BEFORE ENTERING INTO A CONTRACT TO PURCHASE THE PROPERTY.

CONDITIONAL SUBDIVISION PUBLIC REPORT: IF YOU ENTERED INTO A CONTRACT TO PURCHASE OR LEASE AN INTEREST IN THE SUBDIVISION UNDER AUTHORITY OF A CONDITIONAL SUBDIVISION PUBLIC REPORT ("**CONDITIONAL PUBLIC REPORT**"), THE CONTRACT CONTAINED ARRANGEMENTS FOR THE RETURN TO YOU OF MONIES PAID OR ADVANCED IF YOU ARE DISSATISFIED WITH THIS FINAL SUBDIVISION PUBLIC REPORT ("**FINAL PUBLIC REPORT**") BECAUSE OF A MATERIAL CHANGE IN THE SETUP OF THE OFFERING COVERED BY CALIFORNIA BUSINESS & PROFESSIONS CODE SECTION 11012. YOU ARE ADVISED TO CAREFULLY READ THIS FINAL PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND POSSIBLY DIFFERENT FROM THAT INCLUDED IN THE CONDITIONAL PUBLIC REPORT.

PRELIMINARY SUBDIVISION PUBLIC REPORT: IF YOU RECEIVED A PRELIMINARY SUBDIVISION PUBLIC REPORT ("**PRELIMINARY PUBLIC REPORT**") FOR THIS SUBDIVISION, YOU ARE ADVISED TO CAREFULLY READ THIS FINAL PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND PROBABLY DIFFERENT FROM THAT INCLUDED IN THE PRELIMINARY PUBLIC REPORT.

THE USE OF THE TERM "**PUBLIC REPORT**" SHALL MEAN AND REFER TO THIS FINAL PUBLIC REPORT.

OVERVIEW OF SUBDIVISION

Location: This subdivision is located at corner of West Leland Road and Alves Ranch Road within the city limits of Pittsburg, California. Prospective purchasers should acquaint themselves with the kinds of city services available.

Type of Subdivision: This subdivision is part of the Community which is a common-interest development of the type referred to as a planned development. It includes common areas and common facilities and common amenities which will be maintained by an incorporated association.

Interests to Be Conveyed: You will receive fee title to a specified Lot, together with a membership in the Vista Del Mar II Homeowners Association (“**Association**”) and rights to use the common area (referenced as “Association Property” in the CC&Rs (defined below)).

About This Phase: This Public Report is for the twenty-fourth (24th) phase which consists of approximately 0.84+/- acres divided into 12 residential lots, each with a two-car garage.

Common amenities and/or facilities consisting of landscaping, lighting and mailbox signage will be constructed on the common area in this phase. The estimated completion date is December 2023.

This phase is part of the Community which, if developed as proposed, will contain approximately three hundred twenty-two (322) single family residential lots and attached duet-style homes sold in twenty-six (26) phases. The estimated completion date of the Community is June 2024.

Additional common amenities and/or facilities consisting of recreational facilities consisting of a bocce court, picnic table a basketball half-court and open green space will be constructed in a future phase. The estimated completion date of these recreational facilities was April 2021.

There is no assurance that the Community will be completed as proposed.

FUTURE DEVELOPMENT OF THE COMMUNITY CANNOT BE PREDICTED WITH ACCURACY. THE SUBDIVIDER HAS THE RIGHT TO BUILD MORE OR FEWER THAN THE NUMBER OF HOMES CURRENTLY PLANNED, CHANGE PRODUCT LINES, ENLARGE OR DECREASE THE SIZE OF HOMES, ADDING LARGER, SMALLER OR DIFFERENTLY DESIGNED MODELS OR CHANGING (PARTIALLY OR IN TOTAL) DESIGNS AND/OR MATERIALS, AT ANY POINT DURING DEVELOPMENT OF THE COMMUNITY.

DUE TO THE INABILITY TO PREDICT FUTURE MARKET CONDITIONS WITH ACCURACY, THERE ARE NO ASSURANCES THAT THE SUBDIVISION OR THE COMMUNITY WILL BE BUILT AS CURRENTLY PLANNED, OR PURSUANT TO ANY PARTICULAR BUILD-OUT SCHEDULE. TOPOGRAPHICAL MAPS IN THE SALES OFFICE, LOT PLOTTING MAPS, MAPS OFFERED BY SUBDIVIDER AND OTHER FORMS SHOWING “COMPLETE” SUBDIVISION PROJECTIONS DO NOT NECESSARILY COMMIT THE SUBDIVIDER TO

COMPLETE THE SUBDIVISION OR, IF COMPLETED, TO COMPLETE THE COMMUNITY. THE SUBDIVIDER MAY SELL AT ANY TIME, ALL OR ANY PORTION OF THE LOTS WITHIN THE SUBDIVISION OR COMMUNITY TO ANY THIRD PARTY, INCLUDING OTHER DEVELOPERS OR BUILDERS.

Sale of All Lots: The Subdivider has indicated that it intends to sell all of the Lots in this Subdivision; however, any owner, including the Subdivider, has a legal right to rent or lease the Lots.

SUBDIVIDER AND PURCHASER OBLIGATIONS: IF YOU PURCHASE FIVE OR MORE LOTS FROM THE SUBDIVIDER, THE SUBDIVIDER IS REQUIRED TO NOTIFY THE REAL ESTATE COMMISSIONER OF THE SALE. IF YOU INTEND TO SELL YOUR INTERESTS OR LEASE THEM FOR TERMS LONGER THAN ONE YEAR, YOU ARE REQUIRED TO OBTAIN AN AMENDED FINAL PUBLIC REPORT BEFORE YOU CAN OFFER THE INTERESTS FOR SALE OR LEASE.

NOTE: WHEN YOU SELL YOUR LOT TO SOMEONE ELSE, YOU MUST GIVE THAT PERSON A COPY OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, ARTICLES OF INCORPORATION, THE BYLAWS AND A TRUE STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS, PENALTIES, ATTORNEYS FEES OR OTHER CHARGES, PROVIDED BY THE GOVERNING DOCUMENTS ON THE LOT THE DATE THE STATEMENT WAS ISSUED.

WARNING: IF YOU FORGET TO DO THIS, IT MAY COST YOU A PENALTY OF \$500.00 – PLUS ATTORNEY’S FEES AND DAMAGES (CALIFORNIA CIVIL CODE SECTION 4540).

Completion Arrangements of Association Property:

The Subdivider has posted a bond acceptable to the DRE to assure completion of Association Property improvements in this Phase described in the Planned Construction Statement attached to the bond.

The Subdivider has posted a bond acceptable to the DRE to assure completion of Association Property improvements for future Phase Parcel A described in the Planned Construction Statement attached to the bond.

NOTWITHSTANDING ANY PROVISION IN THE CONTRACT TO THE CONTRARY, A PROSPECTIVE BUYER HAS THE RIGHT TO NEGOTIATE WITH THE SELLER TO ALLOW AN INSPECTION OF THE PROPERTY BY THE PURCHASER OR THE PURCHASER'S DESIGNEE UNDER TERMS MUTUALLY AGREEABLE TO THE PROSPECTIVE BUYER AND SELLER.

MANAGEMENT AND OPERATION

Association Obligations and Governing Documents: The Association, of which you become a member at time of purchase, is governed by and manages, maintains, and operates the subdivision in accordance with the Covenants, Conditions and Restrictions (the “**CC&Rs**”), the Articles of Incorporation (“**Articles**”), and the Bylaws. In addition, the Association has the right to adopt rules and regulations and guidelines for the Community and which will include Community design guidelines which will set forth the

guidelines and procedures for architectural review within the Community. There may also be supplementary declarations or notices of annexation ("**Supplementary Declarations**") which will be recorded against portions of the Community which may set forth additional restrictions and easements covering the areas covered by the Supplementary Declaration(s) (the CC&Rs, Bylaws, Articles, Supplementary Declaration(s) and rules and regulations and design/architectural guidelines may hereinafter be referred to as the "**Governing Documents**"). You should review each of these documents carefully.

INITIAL MEETING: THE ASSOCIATION WILL BE FORMED PURSUANT TO THE TERMS AND PROVISIONS OF GOVERNING DOCUMENTS. SINCE THE ASSOCIATION PROPERTY IMPROVEMENTS, AMENITIES, AND FACILITIES WILL BE MAINTAINED BY THE ASSOCIATION, IT IS ESSENTIAL THAT THIS ASSOCIATION BE FORMED EARLY AND PROPERLY. THE ASSOCIATION MUST HOLD THE FIRST MEMBERSHIP MEETING AND ELECTION OF THE ASSOCIATION'S GOVERNING BODY WITHIN SIX MONTHS AFTER THE CLOSING OF THE SALE OF THE FIRST SUBDIVISION INTEREST UNDER THE FIRST FINAL PUBLIC REPORT FOR THE COMMUNITY (REGULATIONS 2792.17 AND 2792.19) THE ASSOCIATION MUST ALSO PREPARE AND DISTRIBUTE TO ALL HOMEOWNERS A BALANCE SHEET AND INCOME STATEMENT. THEREAFTER THE ASSOCIATION MUST HOLD ELECTIONS OF THE ASSOCIATION'S GOVERNING BODY IN ACCORDANCE WITH THE GOVERNING DOCUMENTS. THE ASSOCIATION MUST THEN ALSO PREPARE AND DISTRIBUTE TO ALL HOMEOWNERS A BALANCE SHEET AND INCOME STATEMENT AND A SUMMARY OF THE ASSOCIATION'S RESERVES BASED UPON THE MOST RECENT REVIEW OR STUDY CONDUCTED PURSUANT TO SECTIONS 5500 ET. SEQ. OF THE CALIFORNIA CIVIL CODE.

The CC&Rs: The Community and this Subdivision will be subject to the Declaration of Covenants, Conditions and Restrictions for Vista Del Mar II recorded November 04, 2020 as Instrument No. 2020-0261437 (as amended or supplemented, collectively, the "**CC&Rs**"), and Master Dispute Resolution Declaration for Vista Del Mar II recorded November 4, 2020 as Instrument No. 2020-0261436 (as amended or supplemented, collectively, the "**Master Dispute Resolution Declaration**"), and Declaration of Annexation and Supplemental Restrictions for Vista Del Mar II, Serene – DRE Phase 24 recorded June 30, 2021 as Instrument No. 2021-0187901 in the Official Records of Contra Costa County, which include among other provisions, the following:

- Article IV – Use restrictions (including, but not limited to, Accessory Dwelling Units (Section 4.1), Parking and Vehicle Restrictions (Section 4.27), Solar Energy Systems (Section 4.36) and Solar Shade Restrictions (4.37)
- Article V – maintenance responsibilities between the Association and Owners
- Article VI – architectural review of owner-installed improvements
- Article IX – payment of assessments to the Association

Amendments and/or Supplements to the CC&Rs may also be recorded. You may ask the Subdivider about such changes. If you purchase a Lot, this information will be included in your title policy.

FOR INFORMATION AS TO YOUR OBLIGATIONS AND RIGHTS, YOU SHOULD READ THE CC&RS. THE SUBDIVIDER MUST MAKE THEM AVAILABLE TO YOU.

TO SECURE FINANCING FOR THIS COMMUNITY ACCEPTABLE FOR ACQUISITION FNMA, FHA, VA AND OR FHLMC, IT HAS BEEN NECESSARY FOR THE SUBDIVIDER TO INCORPORATE INTO THE GOVERNING DOCUMENTS PROVISIONS WHICH GIVE THE MORTGAGE LENDER A VOICE IN THE AFFAIRS OF THE ASSOCIATION AND IN THE MANAGEMENT AND OPERATION OF THE COMMUNITY WHICH A LENDER DOES NOT ORDINARILY HAVE.

DOCUMENTS TO BE FURNISHED: THE SUBDIVIDER STATED THAT SUBDIVIDER WILL FURNISH THE CURRENT BOARD OF DIRECTORS OF THE ASSOCIATION AND EACH INDIVIDUAL PURCHASER WITH THE DRE-REVIEWED ASSOCIATION BUDGET.

THE SUBDIVIDER MUST MAINTAIN AND DELIVER TO THE ASSOCIATION THE SPECIFIC RECORDS AND MATERIALS LISTED IN REAL ESTATE COMMISSIONER'S REGULATION 2792.23 WITHIN THE STATED TIME PERIOD. THESE RECORDS AND MATERIALS DIRECTLY AFFECT THE ABILITY OF THE ASSOCIATION TO PERFORM ITS DUTIES AND RESPONSIBILITIES (SECTION 11018.5 OF THE CALIFORNIA BUSINESS & PROFESSIONS CODE AND SECTION 4800 OF THE CALIFORNIA CIVIL CODE).

THE SUBDIVIDER SHALL MAKE A COPY OF THE ARTICLES, THE BYLAWS, AND THE CC&RS AVAILABLE FOR EXAMINATION BY A PROSPECTIVE BUYER BEFORE EXECUTION OF AN OFFER TO PURCHASE A LOT. A COPY OF EACH MUST ALSO BE GIVEN TO EACH BUYER AS SOON AS PRACTICABLE BEFORE CLOSE OF ESCROW. THESE DOCUMENTS CONTAIN NUMEROUS MATERIAL PROVISIONS THAT SUBSTANTIALLY AFFECT AND CONTROL YOUR RIGHTS, PRIVILEGES, USE, OBLIGATIONS, AND COSTS OF MAINTENANCE AND OPERATION. YOU SHOULD READ AND UNDERSTAND THESE DOCUMENTS BEFORE YOU OBLIGATE YOURSELF TO PURCHASE A LOT (CALIFORNIA BUSINESS & PROFESSIONS CODE SECTION 11018.6).

MAINTENANCE AND OPERATIONAL EXPENSES

Association to Levy Assessments: THE ASSOCIATION HAS THE RIGHT TO LEVY ASSESSMENTS AGAINST YOU FOR MAINTENANCE OF THE COMMON AREAS, AMENITIES AND FACILITIES, AND OTHER PURPOSES. YOUR CONTROL OF OPERATIONS AND EXPENSES IS LIMITED TO THE RIGHT OF YOUR ELECTED REPRESENTATIVES TO VOTE ON CERTAIN PROVISIONS AT ASSOCIATION MEETINGS.

Proposed Budgets (Range of Assessments): The Subdivider has submitted budgets for the management, maintenance and operation of the Association obligations and for long-term reserves when the Community is substantially completed (built-out budget) and interim budgets applicable to these phases. These budgets were reviewed by the DRE in October 2020. You should obtain copies of these budgets from the Subdivider.

Due to uncertainty in the sequence in which the phases in this Community will close escrows in individual housing types located in the Community, it is difficult to predict at this time the amount of the monthly assessment which will be assessed against each lot in the Community.

As the Community is developed and additional phases become subject to assessment, the level of monthly assessments in existing phases of the Community may increase or decrease, subject to the limitations in the CC&Rs or Bylaws. Under the Range of

Assessment budget on file with the DRE, the range of monthly assessments during the development period will be between approximately \$128.00 and \$180.00. Of these amounts, the monthly contributions toward long-term reserves which are not to be used to pay for current management, maintenance and operating expenses will be between approximately \$12.00 and \$44.00.

Prior to the close of escrow for the sale of your property, the Subdivider will provide you with copies of the "best case" budget, the "worst case" budget, and the Association's operating budget for the current Fiscal Year, if available.

IF THE BUDGET FURNISHED TO YOU BY THE SUBDIVIDER SHOWS A MONTHLY ASSESSMENT FIGURE WHICH IS OUTSIDE OF THE RANGE OF ASSESSMENTS REFLECTED IN THIS PUBLIC REPORT, YOU SHOULD CONTACT THE DEPARTMENT OF REAL ESTATE BEFORE ENTERING INTO A CONTRACT TO PURCHASE A LOT.

According to the Subdivider, assessments under the interim budget should be sufficient for management, maintenance and operation of the Association's obligations until the Community is substantially completed at which time it may be anticipated that assessments will be adjusted.

YOU SHOULD BE AWARE THAT IF, AND WHEN ADDITIONAL PHASE(S) ARE ANNEXED INTO THE COMMUNITY, THE MONTHLY ASSESSMENTS AGAINST YOUR LOT MAY INCREASE OR DECREASE DEPENDING UPON, AMONG OTHER THINGS, THE NUMBER OF LOTS BEING ANNEXED IN SUCH SUBSEQUENT PHASE(S) AND WHETHER ANY ADDITIONAL COMMON AREA AND/OR COMMON FACILITIES ARE ALSO BEING ANNEXED AS PART OF ANY SUCH PHASE(S).

NOTE: THE BUDGET INFORMATION INCLUDED IN THIS PUBLIC REPORT IS APPLICABLE AS OF THE DATE OF BUDGET REVIEW AS SHOWN ABOVE. EXPENSES OF OPERATION ARE DIFFICULT TO PREDICT AND EVEN IF ACCURATELY ESTIMATED INITIALLY, MOST EXPENSES INCREASE WITH THE AGE OF FACILITIES AND WITH INCREASES IN THE COST OF LIVING.

BUDGET INFORMATION PROVIDED BY SUBDIVIDER: DELINQUENCIES IN THE PAYMENT OF ASSOCIATION ASSESSMENTS AFFECT THE ABILITY OF THE ASSOCIATION TO PERFORM ANY OR ALL OF ITS RESPONSIBILITIES AND COULD ALSO RESULT IN UNFORESEEN SPECIAL ASSESSMENTS LEVIED AGAINST ALL LOTS OR A SIGNIFICANT REDUCTION IN BUDGETED ASSOCIATION SERVICES. THE SUBDIVIDER MUST IMMEDIATELY NOTIFY THE DEPARTMENT OF REAL ESTATE IN WRITING, IF DELINQUENT ASSESSMENTS HAVE CAUSED THE ASSOCIATION TO RECEIVE TEN PERCENT (10%) LESS INCOME THAN REFLECTED IN THE THEN CURRENT ASSOCIATION BUDGET (REGULATION 2800K).

THE SUBDIVIDER MUST MAKE AVAILABLE TO YOU A STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS AND RELATED CHARGES AS PROVIDED BY THE GOVERNING DOCUMENTS AND, IF AVAILABLE, CURRENT FINANCIAL INFORMATION AND RELATED STATEMENTS (CALIFORNIA BUSINESS & PROFESSIONS CODE SECTION 11018.6).

In addition to other documentation provided to each prospective Buyer, a copy of the current financial information, and related statements, to the extent available, as

specified by California Civil Code Section 5300(b), must be made available for examination by a prospective Buyer before the execution of an offer to purchase a Lot. A copy of this financial information must also be given to each Buyer as soon as practicable before close of escrow. YOU SHOULD PAY SPECIAL ATTENTION TO THIS FINANCIAL INFORMATION, AS IT PERTAINS TO CURRENT AND POSSIBLE FUTURE FINANCIAL OBLIGATIONS AFFECTING ALL HOMEOWNERS WITHIN THE COMMUNITY. If you do not understand the contents of these financial documents, you may wish to consult with your own professional advisors. Should the amounts collected by the Association prove insufficient to properly maintain, operate, repair or replace the common facilities, the Association may increase Regular Assessments or levy one or more Special Assessments in accordance with the Governing Documents in order to provide such funding, which may affect your ability to purchase, or, as an alternative, the Association may decide to defer maintenance or eliminate services.

Exemptions from Association Regular Assessments: The CC&Rs provide that the Subdivider or other owner of a separate interest will be allowed to defer from payment, that portion of any assessment which is directly attributable to any structural improvement and/or common facility that is not complete at the time assessments commence. The amount of the deferment may be a fixed amount, or may vary based upon dates of completion or use. Once the established criterion is met and the authority allowing the deferment is eliminated, all owners must pay the full amount of the monthly assessment as outlined herein. The limitations of this allowance are specifically set forth in the CC&Rs. (Regulation 2792.16c).

Utility Rates: The utility rates used for the calculations within the above referenced budgets are based on information available at the time of the budget review dates (as shown above). Increases in assessments may be required as a measure to provide adequate funds to compensate for potential utility rate increases. Purchasers should be aware of the possible affect these increases may have on their assessments.

Assessments Increases/Decreases: The Association may increase or decrease assessments at any time in accordance with the procedure prescribed in the CC&Rs or Bylaws. In considering the advisability of a decrease (or a smaller increase) in assessments, care should be taken not to eliminate amounts attributable to reserves for replacement or major maintenance.

Commencement of Assessments: Regular assessments payable to the Association will commence on all Lots in this phase on the first day of the month following the conveyance of the first Lot in the phase. The Subdivider must pay assessments to the Association for all unsold Lots (Regulations 2792.9 and 2792.16).

Failure to Pay: The remedies available to the Association against owners who are delinquent in the payment of assessments are set forth in the CC&Rs. These remedies are available against the Subdivider as well as against other owners.

Subdivider's Assessment Security: The Subdivider has posted a bond as partial security for the obligation to pay these assessments. The governing body of the Association should assure itself that the Subdivider has satisfied these obligations to the

Association with respect to the payment of assessments before agreeing to a release or exoneration of the security.

USES/ZONING/HAZARD DISCLOSURES

The Subdivider has set forth below references to various uses, zoning, hazards and other matters based on information from a variety of sources. You should independently verify the information regarding these matters, as well as all other matters, that may be of concern to you regarding the Subdivision, Community, and all existing, proposed or possible future uses adjacent to or in the vicinity of the Community. At the time this public report was issued, some of the land uses that surround the Community include, but are not limited to, the following:

Uses: The Subdivider advises that the following uses exists within or near this subdivision:

North - CA State Highway 4

South - PD - Planned Development (Single Family Residential)

East - "M" – Mixed Use; currently, vacant land

West - PD – Planned Development; developed property – single family detached

COMMUNITY COMPONENTS.

Dog Park. It is anticipated that the Community will include a dog park site that will ultimately be owned and operated by the Association. Subdivider does not guarantee completion of the dog park or any completion date. The improvements included within and uses of the dog park may change over time. The use of the dog park site may cause noise, the errant flight and/or entry of items of play and other disturbances to Buyer. Homeowners living near the dog park site will likely experience higher than normal pedestrian traffic and other disturbances associated with the use of these facilities. The condition of the dog park may change over time.

Trails for Pedestrian Use. There are public and private trails located within the Community. The public trails are easements across Association-owned property connecting with neighboring properties for future use as part of the City's plans to interconnect various properties. The private trails are for the benefit of only residents within the Community. People using the pedestrian and equestrian trails may produce noise, leave trash, loiter in the area, and create other disturbances which may result in inconvenience and disturbances to Buyer. The public trails will be maintained by the City or GHAD, while the private trails will be maintained by the Association. Neither Subdivision nor the Association have any control over the maintenance, use or appearance of the public trails. Buyer acknowledges the possible effect such trails may have prior to purchasing a home. The public trails have been dedicated to the City for public use for pedestrian uses.

Recreational Facilities. It is anticipated that the Community will include recreational facilities consisting of a bocce court, picnic table, a basketball half-court and open green

space (“**Recreational Facilities**”). The use of these Recreational Facilities may cause noise, night light, the errant flight and/or entry of items of play and other disturbances to Buyer. Homeowners living near the Recreational Facilities will likely experience higher than normal pedestrian traffic and other disturbances associated with the use of these facilities. The condition of the Recreational Facilities may change over time. The Association may change the hours of operation and access to the Recreational Facilities from time to time.

Water Quality Basin. A water quality basin will be turned over to and maintained by the GHAD in the future on a parcel adjacent to the north of the Community. The primary purpose of this water quality basin is to collect surface water runoff from the Community and other neighboring areas and to facilitate and regulate the flow and quality of water that is discharged into the storm drain system. This basin may be fenced from public access and is not intended for recreational uses. This basin may be visible from certain areas within the Community. It is expected that this basin will contain water during seasonal rains and may contain water at all times of the year. The basin is a potential water hazard. Seller is not responsible for maintenance of the water hazards, or for the safety of Buyer, Buyer’s family, guests, invitees, tenants, agents or employees

SURROUNDING USES. There are many different land uses currently occurring in the vicinity of the Community, including a BART station, other residential neighborhoods, freeway, parks, and commercial/retail areas. All of these uses generate pedestrian and automobile traffic and may generate noise in the vicinity of the Community, particularly in the evening and at night. For future surrounding uses, Buyer may contact the Planning Division of the City’s Community Development Department (<http://www.ci.pittsburg.ca.us/index.aspx?page=205>; (925) 252-4920).

BAY AREA RAPID TRANSIT STATION. Approximately one-half mile east of the Community is the Pittsburg-Bay Point Station (1700 West Leland Road, Pittsburg, CA 94565) for commuter trains owned and operated by the Bay Area Rapid Transit District (“BART”) (<https://www.bart.gov/>). These railroad tracks are heavily used by passenger trains. Residents should contact BART directly for further information concerning train schedules. The tracks may also be utilized by other trains that may use the trains 24 hours per day, 7 days per week and do not follow any particular schedule. Owners and other residents of the Community may experience and/or be exposed to increased pedestrian and vehicle traffic due to the location of the station in the vicinity of the Community, transient activity from the use of the train station, significant noise, odors, air pollution, fumes, bright lights, vibrations, traffic congestion, dirt, debris, and other adverse impacts and hazards relating to the operation and maintenance of the rail lines and station.

FREEWAYS/HIGHWAYS/BUSY STREETS. The Community is located adjacent to State Highway 4 to the north of the Community boundaries. In addition, there are other regional, local arterial and interior roads in the vicinity of the Community that may cause noise within the Community or traffic congestion on the roadways near the Community. These road system improvements are subject to modifications, approvals, and improvements made by the State or County. For example, alignments may be

changed, proposed extensions may be deleted or changed and roadway improvements within the vicinity of the Community may be added. Buyer may experience noise from use of these roads as well as other problems associated with traffic congestion in the area of the Community.

FUTURE COMMERCIAL CENTER. Shown as Parcel G of the Subdivision 9235 Map is a potential commercial center that may be constructed and built by the owner of said Parcel (Alves Ranch, LLC, a California limited liability company) that is not associated with or affiliated to Subdivider. The commercial center and the owner will not be subject to the Governing Documents and will not be a part of the Association. As of the date of this Public Report, it is unknown what stores or businesses may be operated from the commercial center. Possible future uses may include retail, restaurants, offices and other uses. Such commercial and retail uses in close proximity to the Community may result in noises, lighting, odors, increased pedestrian and vehicular congestion at all times of the day and night, year round, that will be of annoyance and a nuisance to residents of the Community. Such annoyances may also include increased pedestrian and vehicular traffic in or around the Community.

GAS STATIONS. Several gas stations, including, without limitation, an ARCO gas station with car wash is located less than one-quarter mile west of the Community. The Community will be subject to increased noise, light and fumes at any time of the day and night, including noise from delivery trucks. The gas station uses underground tanks to store gasoline. Due to the close proximity of such tanks to the Home, potential impacts include the possibility of explosions or soil contamination from leakage of the gasoline.

LANDFILL. The Republic Services Keller Canyon Landfill (901 Bailey Road, Pittsburg, CA 94565; 925-232-2399) is located approximately three (3) miles south from the Community. This facility may generate noise, unpleasant odors, birds, pests, dirt, dust, traffic and other impacts in the vicinity of the Community.

PARK. There are several parks located within the vicinity of the Community including the City-owned Ray Giacomelli Park located approximately 700 feet to the west of the Community which includes a children's playground, dog park, green space, and covered picnic space. The Community may be subject to lighting, noise, traffic and other nuisances. Subdivider has no control over the use of the park or its hours of operation and makes no representations or warranties as to whether the park will continue to be used for recreational facilities or any other uses.

STREETS: ROAD CHANGES. West Leland Road, a public street in the vicinity of the Community, may in the future be redesigned, reconstructed, or widened. As a result of such changes, Buyer and the Property may be inconvenienced by dust, noise, traffic, weekend work, and other nuisances and impacts associated with such future road changes.

STREETS: ROAD EXTENSION. Alves Ranch Road, a public street in the vicinity of the Community will be extended and connect with the future development of the Community. The road will circle the commercial property located in the Community, and

members of the general public will the right of access through the extended Alves Ranch Road, although with no rights to use the private streets within the Community. However, such uses of the extended Alves Ranch Road may increase the traffic to and through the Community, and create congestion to access the Homes.

OPEN SPACE: POTENTIAL FIRE HAZARD ZONES. The open space areas in and around the Community are potential fire hazard areas. The overgrown natural habitat may cause the Home to be within a high risk fire area. As a result, some insurance companies may include all or part of the Community in a high risk fire area, which may lead to increased premiums. Buyer should investigate the availability and cost of obtaining homeowners insurance for the Home.

HILLSIDE HOMES. Homes constructed at the top or bottom of a slope present special soils concerns. To accommodate these concerns, certain lots have been graded in accordance with the recommendations of soils engineers. Applicable standards require both gross (structural) and superficial (minor sliding) stability of pads, slopes, and streets. However, over a period of time, both graded and natural slopes are subject to horizontal and vertical movement, often described as “**creep**.” Creep movement does not affect the standard stability of the Home. The extent of creep movement is dependent upon the soil type, rain, drought, irrigation, landscaping and other environmental conditions that exist in the Community. Due to these subtle soil dynamics, particularly in slopes on hillside homes, Buyer must give special design considerations to the location and design of improvements at the top or toe of slopes.

While slope creep movement may be negligible, it may result in enough movement to noticeably affect Buyer’s improvements, such as walls, planters, decking, slabs, pools and spas, without violating code requirements for gross stability that pertain to structural failure and superficial stability of the Home.

Hazards: The Subdivider advises that the following hazard exists within or near this Subdivision:

The Subdivider has advised that all or portions of the subdivision subject to this Public Report are located within a *Seismic Hazard Zone*. Additionally, the Subdivider has advised that prospective purchasers within this Zone will be provided a separate disclosure required under California Public Resources Code Section 2694.

If any disclosure, or any material amendment to any disclosure, required to be made by the Subdivider regarding this natural hazard is delivered after the execution of an offer to purchase, the purchaser shall have three (3) days after delivery in person or five (5) days after delivery by deposit in the mail to terminate the offer by delivery of a written notice of termination to the Subdivider or the Subdivider's agent.

At the time this Public Report was issued, information regarding whether all or portions of this Subdivision are located within certain natural hazard areas was not yet available to the Subdivider. You should ask the Subdivider for updated information before obligating yourself to purchase.

If your lot is located within one or more Statutory Natural Hazard Areas, your ability to further develop the real property, to obtain insurance, or to receive assistance after a disaster may be affected. You should therefore contact your lender and insurance carrier for more information regarding types of insurance and costs to cover your property. Additionally, since purchasers are not required to receive a separate disclosure for property owned by the Association, you should also contact the Association regarding any assessment increases due to additional insurance costs associated with the Statutory Natural Hazard Areas which may affect the Association maintained areas, if any.

Notice of Airport in Vicinity: This property is presently located in the vicinity of an airport, within what is known as an airport influence area. For that reason, the property may be subject to some of the annoyances or inconveniences associated with proximity to airport operations (for example: noise, vibration, or odors). Individual sensitivities to those annoyances can vary from person to person. You may wish to consider what airport annoyances, if any, are associated with the property before you complete your purchase and determine whether they are acceptable to you.

California Business & Professions Code Section 11010(b)(13)(B) provides an "airport influence area", also known as an "airport referral area", is the area in which current or future airport-related noise, overflight, safety, or airspace protection factors may significantly affect land uses or necessitate restrictions on those uses as determined by an airport land use commission.

Notice of Right to Farm: This property is located within one mile of a farm or ranch land designated on the current county-level GIS "Important Farmland Map," issued by the California Department of Conservation, Division of Land Resource Protection. Accordingly, the property may be subject to inconveniences or discomforts resulting from agricultural operations that are a normal and necessary aspect of living in a community with a strong rural character and a healthy agricultural sector. Customary agricultural practices in farm operations may include, but are not limited to, noise, odors, dust, light, insects, the operation of pumps and machinery, the storage and disposal of manure, bee pollination, and the ground or aerial application of fertilizers, pesticides, and herbicides. These agricultural practices may occur at any time during the 24-hour day. Individual sensitivities to those practices can vary from person to person. You may wish to consider the impacts of such agricultural practices before you complete your purchase. Please be advised that you may be barred from obtaining legal remedies against agricultural practices conducted in a manner consistent with proper and accepted customs and standards pursuant to Section 3482.5 of the California Civil Code or any pertinent local ordinance.

Mining Operations. Seller is required to provide the following notice pursuant to California Civil Code Section 1103.4:

"NOTICE OF MINING OPERATIONS:

This property is located within one mile of a mine operation for which the mine owner or operator has reported mine location data to the Department of Conservation pursuant to

Section 2207 of the California Public Resources Code. Accordingly, the property may be subject to inconveniences resulting from mining operations. You may wish to consider the impacts of these practices before you complete your transaction.”

PURCHASERS SHOULD FAMILIARIZE THEMSELVES WITH THE SURROUNDING AREAS OF THE COMMUNITY BEFORE SIGNING A CONTRACT.

TITLE

Preliminary Report: A preliminary report will be issued by the title insurer to reflect those items that affect the condition of title. You are encouraged to request a copy of this preliminary report for review of those items that affect the lot you are purchasing. Those items typically shown on a report include, but are not limited to, general and special taxes, easements, mechanic liens, monetary encumbrances, trust deeds, utilities, rights of way and CC&Rs. In most instances, copies of documents can be provided to you upon request.

Additionally the preliminary report shows title, among other things, to be subject to the following:

- The terms and provisions contained in the document entitled "Memorandum of Agreement Between the City of Pittsburg, William Lyon Homes, and Alves Ranch, LLC Concerning Commercial Property Development" recorded October 31, 2019 as Instrument No. 2019-0194062-00 of Official Records.
- An unrecorded lease dated October 24, 2019, executed by William Lyon Homes, Inc., a California corporation as lessor and Alves Ranch, LLC, a California limited liability company as lessee, as disclosed by a Memorandum of Sign Property Lease Agreement recorded October 31, 2019 as Instrument No. 2019-0194070-00 of Official Records.
- The “Master Dispute Resolution Declaration for Vista Del Mar II” recorded November 4, 2020 as Instrument No. 2020-0261436 in the Official Records of Contra Costa County, which shall govern disputes between Subdivider, the Association and/or an Owner concerning the purchase, sale and construction of the Subdivision and Community.

Easements: Easements for utilities, roadway, rights-of-way and other purposes are shown on the title report and subdivision map “Subdivision 9497 Vista Del Mar II”, filed for Record December 29, 2020 In Book 545 of Maps, at Pages 21-37, filed In the Office of the County Recorder, County of Contra Costa, State of California.

Adjustments to the original tract map may also be recorded. You may ask the Subdivider about such changes. If you purchase a Lot subject to said adjustment, this information will be included in your title policy.

TAXES

Regular Taxes: The maximum amount of any tax on real property that can be collected annually by counties is 1% of the full cash value of the property. With the addition of interest and redemption charges on any indebtedness, approved by voters prior to July 1, 1978, the total property tax rate in most counties is approximately 1.25% of the full cash value. In some counties, the total tax rate could be well above 1.25% of the full cash value. For example, an issue of general obligation bonds previously approved by the voters and sold by a county water district, a sanitation district or other such district could increase the tax rate.

For the purchaser of a Lot in this subdivision, the full cash value of the Lot will be the valuation, as reflected on the tax roll, determined by the county assessor as of the date of purchase of the Lot or as of the date of completion of an improvement on the Lot if that occurs after the date of purchase.

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 questions concerning this matter, please call your local Tax Collector's Office.

Special Taxes & Assessments: This subdivision lies within the boundaries of the following Districts and is subject to any taxes, assessments and obligations thereof.

This subdivision lies within the boundaries of the East Bay Regional Park Trails Landscape and Lighting District and is subject to any taxes, assessments and obligations thereof. This District was formed to provide to finance the maintenance of parks and trails within the East Bay Regional Park District. The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for these services. This means assessments can fluctuate from year to year as contracts expire. As of the date of this Public Report, the 2019 - 2020 assessment is \$5.44 per residential unit. The administration of this District will be provided by East Bay Regional Park District / NBS Local Govt. Finance.

This subdivision lies within the boundaries of the City of Pittsburg Landscaping and Lighting District 1988-01 district and is subject to any taxes, assessments and obligations thereof. This District was formed to provide to finance the maintenance of street lighting and landscape areas within the district. The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for these services. This means assessments can fluctuate from year to year as contracts expire. As of the date of this Public Report, the 2019 - 2020 assessment is \$102.18 per

residential unit. The administration of this District will be provided by the City of Pittsburg.

This subdivision lies within the boundaries of the County Service Area EM-1, Zone B (Paramedic) district and is subject to any taxes, assessments and obligations thereof. This District was formed to provide to provide funding for paramedic and emergency medical services throughout the service area. The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for these services. This means assessments can fluctuate from year to year as contracts expire. As of the date of this Public Report, the 2019 - 2020 assessment is \$10.00 per benefit unit. The administration of this District will be provided by Contra Costa Health Services.

This subdivision lies within the Mount Diablo Unified School District Community Facilities District No. 1, City of Pittsburg Community Facilities District No. 2007-1 (Park Maintenance Services), City of Pittsburg Community Facilities District No 2017-1 (Fire Protection and Emergency Services), and City of Pittsburg Community Facilities District No. 2005-1 (Public Safety Services) and is subject to any taxes, assessments and obligations thereof. The Subdivider must provide purchasers with disclosures entitled, "Notice of Special Tax" prior to a purchaser entering into a contract to purchase. These Notices contain important information about district functions, purchaser's obligations, right of the districts, and information on how to contact the districts for additional materials. Purchasers should thoroughly understand the information contained in the Notices prior to entering into a contract to purchase. These special taxes appear on the yearly property tax bill and are in addition to the tax rate affecting the property described above in the section entitled "Regular Taxes."

The buyer has five (5) days after delivery of these Notices by deposit in the mail, or three (3) days after delivery of any notice in person, to terminate the Contract by giving written notice of that termination to the owner, Subdivider, or agent selling the property.

FINANCING

Pursuant to California Civil Code Sections 2956 through 2967, inclusive, Subdivider and purchasers must make certain written disclosures regarding financing terms and related information. The Subdivider will advise purchasers of disclosures needed from them, if any.

If your purchase involves financing, a form of deed of trust and note will be used. The provisions of these documents may vary depending upon the lender selected. These documents may contain the following provisions:

Acceleration Clause: This is a clause in a mortgage or deed of trust which provided that if the borrower (trustor) defaults in repaying the loan, the lender may declare the unpaid balance of the loan immediately due and payable.

Due-on-Sale Clause: If the loan instrument for financing your purchase of an interest in this subdivision includes a due-on-sale clause, the clause will be automatically

enforceable by the lender when you sell the property. This means that the loan will not be assumable by a purchaser without the approval of the lender. If the lender does not declare the loan to be all due and payable on transfer of the property by you, the lender is nevertheless likely to insist upon modification of the terms of the instrument as a condition to permitting assumption by the purchaser. The lender will almost certainly insist upon an increase in the interest rate if the prevailing interest rate at the time of the proposed sale of the property is higher than the interest rate of your promissory note.

Balloon Payment: This means that your monthly payments are not large enough to pay off the loan, with interest, during the period for which the loan is written and that at the end period, you must pay the entire remaining balance in one payment. If you are unable to pay the balance and the remaining balance is a sizable one, you should be concerned with the possible difficulty in refinancing the balance. If you cannot refinance or sell your property, or pay off the balloon payment, you will lose your property.

Prepayment Penalty: This means that if you wish to pay off your loan in whole or in part before it is due, you must, in addition, pay a penalty.

Late Charge: This means that if you fail to make your installment payment on or before the due date or within a specified number of days after the due date, you, in addition, must pay a penalty.

Adjustable Rate Loan: The Subdivider may assist you in arranging financing from a federal or state regulated lender which will make loans that allow the interest rates to change over the life of the loan. An interest rate increase ordinarily causes an increase in the monthly payment that you make to the lender. The lender will provide you with a disclosure form about the financing to assist you in the evaluation of your ability to make increased payments during the term of the loan. This disclosure form will be furnished to you at the time you receive your loan application and before you pay a nonrefundable fee.

Accessory Unit Regulatory Agreement: The Subdivider will enter into Accessory Unit Regulatory Agreement and Declaration of Restrictive Covenants with the City of Pittsburg. There will be ten (10) Accessory dwelling units on some of the residential lots in the Project, including on the Property, and requiring the purchasers to enter into regulatory agreements restricting the rent charges for the Accessory units to affordable rents. It is strongly advised for purchasers to review these restrictions, in addition to other requirements, imposed by the City of Pittsburg.

BEFORE AGREEING TO ANY FINANCING PROGRAM OR SIGNING ANY LOAN DOCUMENTS, YOU SHOULD READ AND THOROUGHLY UNDERSTAND ALL THE PROVISIONS CONTAINED IN THE LOAN DOCUMENTS.

PURCHASE MONEY HANDLING

The subdivider must impound all funds (Purchase Money) received from you in an escrow depository until legal title is delivered to you, except for such amount as the subdivider has covered by furnishing a bond to the State of California. [Refer to

California Business & Professions Code Sections 11013, 11013.1, and 11013.2(a).]

If the escrow has not closed on your Lot within twelve (12) months of the date of the Subdivider's acceptance of your offer, you may request the return of your Purchase Money deposit.

THE CONTRACT INTENDED FOR USE BY THE SUBDIVIDER INCLUDES A PROVISION WHERE THE SUBDIVIDER MAY IN ITS SOLE AND ABSOLUTE DISCRETION GRANT THE BUYER AN EXTENSION OF THE CLOSING DATE. UNDER THIS PROVISION THE BUYER SHALL PAY A SPECIFIED DOLLAR AMOUNT PER DAY (EXTENSION FEE) FOR EACH DAY THE ESCROW IS EXTENDED.

NOTE: Section 2995 of the California Civil Code provides that no real estate subdivider shall require as a condition precedent to the transfer of real property containing a single-family residential dwelling that escrow services effectuating such transfer shall be provided by an escrow entity in which the Subdivider has a financial interest of 5% or more.

THE SUBDIVIDER HAS NO FINANCIAL INTEREST IN THE ESCROW COMPANY WHICH IS TO BE USED IN CONNECTION WITH THE SALE OR LEASE OF LOTS IN THIS SUBDIVISION.

SOILS AND GEOLOGIC CONDITIONS

Some lots will contain filled ground. Information concerning filled ground and soil conditions is available at City of Pittsburg Planning Department, 65 Civic Avenue, Pittsburg, CA 94565.

CALIFORNIA IS SUBJECT TO GEOLOGIC HAZARDS SUCH AS LANDSLIDES, FAULT MOVEMENTS, EARTHQUAKE SHAKING, RAPID EROSION, OR SUBSIDENCE. THE UNIFORM BUILDING CODE, APPENDIX CHAPTER 33, PROVIDES FOR LOCAL BUILDING OFFICIALS TO EXERCISE PREVENTIVE MEASURES DURING GRADING TO ELIMINATE OR MINIMIZE DAMAGE FROM SUCH GEOLOGIC HAZARDS. THIS COMMUNITY IS LOCATED IN AN AREA WHERE SOME OF THESE HAZARDS MAY EXIST. SOME CALIFORNIA COUNTIES AND CITIES HAVE ADOPTED ORDINANCES THAT MAY OR MAY NOT BE AS EFFECTIVE IN THE CONTROL OF GRADING AND SITE PREPARATION.

PURCHASERS MAY CONTACT THE SUBDIVIDER, THE SUBDIVIDER'S ENGINEER, THE ENGINEERING GEOLOGIST AND THE LOCAL BUILDING OFFICIALS TO DETERMINE IF THE ABOVE-MENTIONED HAZARDS HAVE BEEN CONSIDERED AND IF THERE HAS BEEN ADEQUATE COMPLIANCE WITH APPENDIX CHAPTER 33 OR AN EQUIVALENT OR MORE STRINGENT GRADING ORDINANCE DURING THE CONSTRUCTION OF THIS COMMUNITY.

UTILITIES AND OTHER SERVICES

Water: The Subdivider advises that City of Pittsburg Water Department will supply water to each lot.

Sewage Disposal: Sewer service to each lot in this subdivision will be provided by the City of Pittsburg.

Gas and Electricity: PG&E

Telephone: Comcast

Fire Protection: Contra Costa Fire Protection District

Streets and Roads: The private streets within this subdivision will be maintained by the Association. The costs of repair and maintenance of these private streets are included in the budget and are a part of your regular assessment.

Private Street Easement and Maintenance Agreement: The initial maintenance and conveyance of the private streets in the subdivision will be performed in accordance with the Private Street Easement and Maintenance Agreement between the Association and Subdivider, a copy of which will be on file with the Association, and Easement Deeds (Private Streets – Temporary) for Subdivision 9235 recorded November 17, 2020 as Instrument No. 2020-0277197 and Subdivision 9497 recorded March 31, 2021 as Instrument No. 2021-0097138, both in the Office of Contra Costa County Recorder.

Subdivider's Private Street Agreement Security: The Subdivider posted completion bonds as partial security for their obligations per the terms of the Private Street Agreement. The governing body of the Association should assure itself that the Subdivider has satisfied these obligations to the Association before agreeing to a release or exoneration of the security.

Schools: This project lies within the Mt. Diablo Unified School District. For the most current information regarding school assignments, facilities and bus service, purchasers are encouraged to contact the school districts.

SOLAR ENERGY PROGRAM

THE CALIFORNIA DEPARTMENT OF REAL ESTATE IS NOT RESPONSIBLE FOR APPROVING THE TERMS OR LANGUAGE IN THE DOCUMENTS RELATING TO THE SOLAR ENERGY PROGRAM DISCUSSED HEREIN.

PURCHASERS ARE ADVISED TO REVIEW AND THOROUGHLY INVESTIGATE ALL OF THE TERMS AND POSSIBLE OUTCOMES OF PURCHASING A HOME SERVED BY A SOLAR ENERGY SYSTEM, INCLUDING WITHOUT LIMITATION THE SOLAR ENERGY SYSTEM ADDENDUM AND THE SOLAR SYSTEM AGREEMENT, IF ANY, PRIOR TO ENTERING INTO A CONTRACT.

DESCRIPTION OF SOLAR ENERGY PROGRAM

THIS PHASE CONSISTS OF MULTIPLE RESIDENCES (EACH A “**RESIDENCE**”). EACH RESIDENCE IS SERVED BY A SEPARATE SOLAR PHOTO-VOLTAIC SYSTEM AND OTHER EQUIPMENT (EACH, A “**SYSTEM**”) THAT CONVERTS SOLAR ENERGY TO ELECTRICITY, INSTALLED ON THE ROOF OF EACH RESIDENCE. PURCHASER MAY HAVE THE OPTION TO PURCHASE THE SYSTEM FROM SUBDIVIDER OR ENTER INTO AN AGREEMENT WITH THE THIRD PARTY SOLAR ENERGY SYSTEM PROVIDER (“**SOLAR COMPANY**”) FOR THE PURCHASE OF THE ELECTRICITY GENERATED BY THE SYSTEM ALSO

KNOWN AS A POWER PURCHASE AGREEMENT OR “PPA”). SUBDIVIDER IS NOT RELATED TO SOLAR COMPANY. PLEASE CAREFULLY REVIEW THE SOLAR ENERGY SYSTEM ADDENDUM THAT YOU WILL RECEIVE AS PART OF THE PURCHASE AGREEMENT FOR THE RESIDENCE (“**SOLAR ENERGY ADDENDUM**”) AND DISCUSS WHICH OPTION MAY BE AVAILABLE FOR THE COMMUNITY. IF PURCHASER ELECTS THE PPA OPTION, THE AGREEMENT PURCHASER WILL ENTER INTO WITH SOLAR PROVIDER IS REFERRED TO AS A “**SOLAR SYSTEM AGREEMENT**”.

SOLAR SYSTEM AGREEMENT

IN CONNECTION WITH THE PURCHASE OF THE RESIDENCE IF YOU DO NOT ELECT TO PURCHASE THE SYSTEM FROM SUBDIVIDER, PURCHASER MUST ENTER INTO A SOLAR SYSTEM AGREEMENT WITH THE SOLAR COMPANY. IF YOU ELECT TO ENTER INTO A SOLAR SYSTEM AGREEMENT, PRIOR TO THE CLOSE OF ESCROW, YOU WILL BE ASKED TO READ AND SIGN A SEPARATE SOLAR SYSTEM AGREEMENT BETWEEN YOU, AS THE BUYER/ HOMEOWNER, AND SOLAR COMPANY.

THE SOLAR SYSTEM AGREEMENT FOR EACH RESIDENCE IS FOR AN INITIAL TERM OF APPROXIMATELY 25 YEARS. UNLESS OTHERWISE TERMINATED UNDER THE TERMS OF THE SOLAR SYSTEM AGREEMENT, THE SOLAR SYSTEM AGREEMENT WILL AUTOMATICALLY RENEW FOR ADDITIONAL ONE-YEAR TERMS. DURING THE TERM OF THE SOLAR SYSTEM AGREEMENT, SOLAR COMPANY WILL OWN, MAINTAIN AND MONITOR THE SYSTEM. IF SOLAR COMPANY FAILS TO PERFORM ITS OBLIGATIONS UNDER THE SOLAR SYSTEM AGREEMENT YOU MAY TERMINATE THE SOLAR SYSTEM AGREEMENT, AFTER GIVING SOLAR COMPANY NOTICE AND AN OPPORTUNITY TO CURE ITS FAILURE. YOU ALSO HAVE THE OPTION TO PURCHASE THE SYSTEM FROM SOLAR COMPANY AT CERTAIN LIMITED TIMES AND SUBJECT TO CERTAIN CONDITIONS AND TERMS DURING THE TERM OF THE SOLAR SYSTEM AGREEMENT. SOLAR COMPANY ALSO HAS THE RIGHT TO TERMINATE THE SOLAR SYSTEM AGREEMENT AND SEEK OTHER REMEDIES IT MAY HAVE, INCLUDING THE PAYMENT OF AMOUNTS OWED AND FUTURE AMOUNTS THAT WOULD OTHERWISE BE PAID UNDER THE SOLAR SYSTEM AGREEMENT. **EXCEPT AS PROVIDED ABOVE, DURING THE 25-YEAR TERM OF THE SOLAR SYSTEM AGREEMENT, THE SOLAR SYSTEM AGREEMENT CANNOT BE TERMINATED BY YOU.**

DURING THE TERM OF THE SOLAR SYSTEM AGREEMENT, YOU CANNOT ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THE SOLAR SYSTEM AGREEMENT WITHOUT SOLAR COMPANY’S PRIOR WRITTEN CONSENT, EXCEPT IN CONNECTION WITH A RE-SALE OF THE RESIDENCE AND SUBJECT TO THE REQUIREMENTS SET FORTH IN THE SOLAR SYSTEM AGREEMENT.

IF YOU RE-SELL THE RESIDENCE, YOU MAY TRANSFER THE RIGHTS AND OBLIGATIONS OF THE SOLAR SYSTEM AGREEMENT TO A PURCHASER WHO AGREES IN WRITING TO BE BOUND BY THE TERMS OF THE SOLAR SYSTEM AGREEMENT AND WHO MEETS SOLAR COMPANY’S CREDIT OR FINANCING REQUIREMENTS.

IF YOU DO NOT ELECT TO PURCHASE THE SYSTEM, YOU SHOULD READ THE SOLAR SYSTEM AGREEMENT CAREFULLY AND UNDERSTAND IT, BEFORE SIGNING IT. PURCHASERS SHOULD CONSULT WITH THEIR LEGAL ADVISOR FOR A BETTER UNDERSTANDING OF THE SOLAR SYSTEM AGREEMENT COMMITMENT.

SYSTEM PERFORMANCE. THE PERFORMANCE OF SYSTEMS WILL VARY DEPENDING ON A NUMBER OF FACTORS WHICH ARE UNIQUE TO EACH RESIDENCE AND EACH SYSTEM. SUBDIVIDER ASSUMES NO LIABILITY FOR THE PERFORMANCE OF THE SYSTEM, INCLUDING BUT NOT LIMITED TO THE SOLAR SYSTEM AGREEMENT, ANY ENERGY SAVINGS, TAX BENEFITS, CASH GRANTS, REBATES, MAINTENANCE OR SERVICE.

OTHER DOCUMENTS

IF YOU ENTER INTO A SOLAR SYSTEM AGREEMENT, THE SOLAR COMPANY MAY RECORD CERTAIN DOCUMENTS AGAINST YOUR RESIDENCE IN CONNECTION WITH THE SOLAR SYSTEM AGREEMENT AND SYSTEM, INCLUDING WITHOUT LIMITATION A UCC-1 FINANCING STATEMENT PROVIDING NOTICE OF SOLAR COMPANY'S OWNERSHIP OF THE SYSTEM'S COMPONENT PARTS LOCATED ON YOUR RESIDENCE.

CONTACTING THE DEPARTMENT OF REAL ESTATE

If you need clarification as to the statements in this Public Report or if you desire to make arrangements to review the documents submitted by the Subdivider which the Department of Real Estate used in preparing this Public Report you may contact:

Department of Real Estate
Subdivisions North
1651 Exposition Blvd.
Sacramento, CA 95815
(916) 576-3374

RECEIPT FOR PUBLIC REPORT

The Laws and Regulations of the California Real Estate Commissioner require that you as a prospective purchaser or lessee be afforded an opportunity to read the public report for this subdivision before you make any written offer to purchase or lease a subdivision interest or before any money or other consideration toward purchase or lease of a subdivision interest is accepted from you.

In the case of a preliminary or interim public report, you must be afforded an opportunity to read the public report before a written reservation or any deposit in connection therewith is accepted from you.

In the case of a conditional public report, delivery of legal title or other interest contracted for will not take place until issuance of a final public report. Provision is made in the sales agreement and escrow instructions for the return to you of the entire sum of money paid or advanced by you if you are dissatisfied with the final public report because of a material change. (See California Business and Professions Code Section 11012.)

DO NOT SIGN THIS RECEIPT UNTIL YOU HAVE RECEIVED A COPY OF THE PUBLIC REPORT AND HAVE READ IT.

I read the Commissioner's Public Report on 167131SA-F00

[FILE NUMBER]

SUBDIVISION 9497, VISTA DEL MAR II SERENE AT VISTA DEL MAR, PHASE 24

[TRACT NUMBER OR NAME]

PHASE 24

[PHASE NUMBER]

[LOT/UNIT NUMBER]

I understand the public report is not a recommendation or endorsement of the subdivision, but is for information only.

The issue date of the public report which I received and read is:

July 22, 2021

[DATE ISSUED]

[DATE AMENDED]

July 21, 2026

[EXPIRATION DATE]

[NAME]

[SIGNATURE]

[ADDRESS]

[DATE]