

**Department of Real Estate
of the
State of California**

**CONDITIONAL SUBDIVISION PUBLIC REPORT
PLANNED DEVELOPMENT**

In the matter of the application of

**WILLIAM LYON HOMES, INC.,
A CALIFORNIA CORPORATION**

FILE NO.: 172771LA-FOO/COO

ISSUED: MARCH 3, 2023

EXPIRES: SEPTEMBER 2, 2023

for a Conditional Subdivision Public Report on

TRACT NO. 66608

**"LA COLINA ESTATES"
PHASE 23**

LOS ANGELES COUNTY, CALIFORNIA

DEPARTMENT OF REAL ESTATE

by *Kim C. Banfal*
Signature

KIM C. BANFAL
Printed Name

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 and 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, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status 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.

RE 646 (Rev. 1/20)

SPECIAL NOTES

THIS CONDITIONAL SUBDIVISION PUBLIC REPORT COVERS ONLY LOTS 42 THROUGH 47 TRACT NO. 66608.

LA COLINA ESTATES ("SUBDIVISION" OR "COMMUNITY" OR "PROJECT") IS BEING DEVELOPED BY WILLIAM LYON HOMES, INC., A CALIFORNIA CORPORATION ("SUBDIVIDER" OR "DECLARANT").

SPECIAL INTEREST AREAS IN THIS CONDITIONAL SUBDIVISION PUBLIC REPORT: YOUR ATTENTION IS ESPECIALLY DIRECTED TO THE PARAGRAPH(S) BELOW ENTITLED: CONDITIONAL SUBDIVISION PUBLIC REPORT, MANAGEMENT AND OPERATIONAL EXPENSES, USES/ZONING/HAZARDS AND OTHER DISCLOSURES, PURCHASE MONEY HANDLING, SPECIAL TAXES AND ASSESSMENTS AND SOIL AND GEOLOGIC CONDITIONS.

NOTE: IN ADDITION TO THOSE PARAGRAPHS ABOVE, IT IS IMPORTANT TO READ AND THOROUGHLY UNDERSTAND THE REMAINING SECTIONS SET FORTH IN THIS CONDITIONAL SUBDIVISION PUBLIC REPORT PRIOR TO ENTERING INTO A CONTRACT TO PURCHASE A LOT IN THIS PHASE OF THE PROJECT.

CONDITIONAL SUBDIVISION PUBLIC REPORT: THIS IS NOT A FINAL SUBDIVISION PUBLIC REPORT ("FINAL PUBLIC REPORT"). THIS IS WHAT IS KNOWN AS A CONDITIONAL SUBDIVISION PUBLIC REPORT ("CONDITIONAL PUBLIC REPORT"). IT IS A CONDITIONAL PUBLIC REPORT SINCE THE SUBDIVIDER HAS NOT YET SATISFIED ALL OF THE CONDITIONS NECESSARY FOR THE ISSUANCE OF A FINAL PUBLIC REPORT. UNTIL ISSUANCE OF THE FINAL PUBLIC REPORT NO ESCROW SHALL CLOSE, NO FUNDS SHALL BE RELEASED FROM ESCROW TO THE SUBDIVIDER, AND NO TITLE SHALL BE CONVEYED FOR ANY PORTION OF THE SUBDIVISION COVERED BY THIS CONDITIONAL PUBLIC REPORT. HOWEVER, THE SUBDIVIDER MAY ENTER INTO A BINDING AGREEMENT WITH YOU FOR THE PURCHASE OR LEASE OF A LOT IN THIS SUBDIVISION IF:

- (A) THE SUBDIVIDER FIRST PROVIDES YOU WITH A COPY OF THIS CONDITIONAL PUBLIC REPORT AND A WRITTEN STATEMENT CONTAINING CERTAIN DISCLOSURES REQUIRED BY BUSINESS & PROFESSIONS CODE SECTION 11018.12(f);
- (B) PROVISION IS MADE IN THE PURCHASE AGREEMENT/CONTRACT AND ESCROW INSTRUCTIONS FOR THE RETURN OF THE ENTIRE SUM OF MONEY PAID OR ADVANCED ("PURCHASE MONEY") BY YOU IF A FINAL PUBLIC REPORT HAS NOT BEEN ISSUED DURING THE TERM OF THIS CONDITIONAL PUBLIC REPORT AS MAY BE EXTENDED FOR AN ADDITIONAL SIX MONTH TERM.

(C) PROVISION IS MADE IN THE PURCHASE AGREEMENT/CONTRACT 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 IN THE SETUP OF THE OFFERING. (REFER TO BUSINESS & PROFESSIONS CODE SECTION 11012.)

(D) AS A CONDITION OF THE PURCHASE, DELIVERY OF LEGAL TITLE OR OTHER INTEREST CONTRACTED FOR WILL NOT TAKE PLACE UNTIL ISSUANCE OF A FINAL PUBLIC REPORT.

BEFORE ENTERING INTO A CONTRACT UNDER THE AUTHORITY OF THIS CONDITIONAL PUBLIC REPORT, YOU SHOULD REVIEW THE PURCHASE AGREEMENT/CONTRACT CAREFULLY TO MAKE SURE THAT YOU WILL BE ABLE TO HONOR YOUR OBLIGATIONS WHEN IT IS TIME TO CLOSE ESCROW. FOR EXAMPLE, IF YOU DO NOT HAVE FUNDS TO COMPLETE THE PURCHASE MONEY LOAN, YOU MAY BE OBLIGATED UNDER THE PURCHASE AGREEMENT/CONTRACT TO KEEP AN ADEQUATE LOAN COMMITMENT IN EFFECT UNTIL THE FINAL PUBLIC REPORT IS ISSUED AND IT IS TIME TO COMPLETE THE PURCHASE. YOU SHOULD CAREFULLY CONSIDER WHETHER THERE WILL BE CHANGES IN YOUR INCOME, ASSETS OR LIABILITIES THAT COULD MAKE YOUR LENDER UNABLE TO FUND THE LOAN. YOU SHOULD A CONSIDER YOUR PERSONAL SITUATION BEFORE ENTERING INTO THIS CONTRACT AS YOUR DESIRE AND ABILITY TO COMPLETE THE PURCHASE MAY CHANGE. THE DEPARTMENT OF REAL ESTATE ("DRE") HAS REVIEWED THE PURCHASE AGREEMENT/CONTRACT FORM BUT HAS NOT REVIEWED ANY ARRANGEMENTS YOU MAY ENTER INTO WITH YOUR PURCHASE MONEY LENDER. YOU SHOULD CAREFULLY REVIEW YOUR ARRANGEMENTS WITH THE LENDER.

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.

THE INITIAL TERM OF THIS CONDITIONAL PUBLIC REPORT IS SIX (6) MONTHS. WHEN THE CONDITIONAL PUBLIC REPORT EXPIRES, YOU MAY WISH TO CONSIDER CONTACTING THE SUBDIVIDER TO DISCUSS THE STATUS OF YOUR CONTRACT, SINCE A CONDITIONAL PUBLIC REPORT MAYBE RENEWED FOR ONE ADDITIONAL SIX MONTH TERM.

THIS CONDITIONAL PUBLIC REPORT ALLOWS THE SUBDIVIDER TO ENTER INTO A BINDING CONTRACT WITH YOU, SUBJECT TO YOUR RECEIPT, EXAMINATION, AND ACCEPTANCE OF A FINAL PUBLIC REPORT WITHIN THE TIME PERIOD INDICATED IN YOUR PURCHASE AGREEMENT/CONTRACT.

THE FOLLOWING CONDITIONS MUST BE SATISFIED BY THE SUBDIVIDER BEFORE A FINAL PUBLIC REPORT CAN BE ISSUED:

1. RECORDATION OF THE NOTICE OF ANNEXATION FOR THIS PHASE;
2. DULY SIGNED REAL ESTATE FORM 643 AND SECURITY HAVE BEEN DEPOSITED IN ESCROW IN COMPLIANCE WITH REGULATION 2792.9;
3. DULY SIGNED IRREVOCABLE ESCROW INSTRUCTIONS AND GRANT DEED HAVE BEEN DEPOSITED IN ESCROW;
4. A PRELIMINARY TITLE REPORT HAS BEEN ISSUED REFLECTING RECORDATION OF ITEM NO. 1 ABOVE.

PRELIMINARY SUBDIVISION PUBLIC REPORT ("PRELIMINARY PUBLIC REPORT"): IF YOU HAVE RECEIVED A PRELIMINARY PUBLIC REPORT FOR THIS SUBDIVISION, YOU ARE ADVISED TO CAREFULLY READ THIS CONDITIONAL SUBDIVISION 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 CONDITIONAL PUBLIC REPORT.

OVERVIEW OF SUBDIVISION

Location:

This phase of the Subdivision is located at Sierra Madre Avenue and Barranca Avenue within the city limits of Glendora, CA. Prospective purchasers should acquaint themselves with the kinds of city services available.

Type of Subdivision:

This phase of the Subdivision is a common-interest development of the type referred to as a planned development. It includes common areas and common amenities which will be maintained by an incorporated owners association.

Interests to Be Conveyed:

You will receive fee title to a residential lot together with a membership in La Colina Estates Community Association ("**Association**") and rights to use the common area.

About This Phase:

This Public Report is for twenty-third (23rd) phase which consists of approximately 4.24 acres divided into 6 residential lots. Each residence has an attached 3 or 4-car garage. Some of the garages require tandem parking.

Common amenities and/or facilities in this phase consisting of landscaping walls and fencing will be constructed on common area Lot F of Tract No. 66608.

This phase is part of a total Subdivision which, if developed as proposed, will consist of multiple development phases containing 118 lots within the entire Subdivision. The estimated completion date for the entire Subdivision is approximately January 2024.

There is no assurance that this phase of the entire Subdivision will be completed as currently proposed.

FUTURE DEVELOPMENT OF THIS PHASE OR THE SUBDIVISION 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.

DUE TO THE INABILITY TO PREDICT FUTURE MARKET CONDITIONS WITH ACCURACY, THERE ARE NO ASSURANCES THAT THIS PHASE OR THE SUBDIVISION 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 THIS PHASE OR THE SUBDIVISION OR, IF COMPLETED, TO COMPLETE THIS PHASE OR THE SUBDIVISION AS SHOWN. THE SUBDIVIDER MAY SELL AT ANY TIME, ALL OR ANY PORTION OF THE LOTS WITHIN THIS PHASE OF THE SUBDIVISION TO ANY THIRD PARTY, INCLUDING OTHER DEVELOPERS OR BUILDERS.

Sale of All Residences:

The Subdivider has indicated that it intends to sell all of the lots in this phase of the Subdivision; however, any owner, including the Subdivider, has a legal right to rent or lease the lots, subject to any occupancy restrictions which may be set forth in the purchase agreement/contract with the Subdivider.

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 SUBDIVISION PUBLIC REPORT BEFORE YOU CAN OFFER THE LOTS FOR SALE OR LEASE.

NOTE: WHEN YOU SELL YOUR LOT TO SOMEONE ELSE, YOU MUST GIVE THAT PERSON A COPY OF THE DECLARATION OF RESTRICTIONS,

ARTICLES OF INCORPORATION, BYLAWS AND A TRUE STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS, PENALTIES, ATTORNEY'S FEES OR OTHER CHARGES, PROVIDED BY THE RESTRICTIONS OR OTHER MANAGEMENT DOCUMENTS ON THE LOT AS OF 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 (CIVIL CODE SECTION 4540).

Completion of Common Area:

The Subdivider estimates all common facilities in this phase will be completed by approximately January 2024.

No escrows will close in this phase until the completion of all common area improvements, amenities, and facilities in this phase or, as an alternative, the Subdivider has submitted a bond or other security acceptable to the Department of Real Estate under the provisions of Section 11018.5 of the Business and Professions Code to assure lien free completion of all common area, common amenities in this phase of the Subdivision.

NOTWITHSTANDING ANY PROVISION IN THE PURCHASE AGREEMENT/CONTRACT TO THE CONTRARY, A PROSPECTIVE BUYER HAS THE RIGHT TO NEGOTIATE WITH THE SELLER TO ALLOW AN INSPECTION OF THE PROPERTY BY THE BUYER OR THE BUYER'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 ("**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 subdivision and which will include subdivision design/architectural guidelines which will set forth the guidelines and procedures for design/architectural review within the subdivision. There may also be supplementary declarations or notices of annexation ("**Supplementary Declarations**") which will be recorded against portions of the subdivision 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 and if you determine it necessary, you may wish to consult with your attorney or advisor.

Existing Association: SINCE THE COMMON AREA IMPROVEMENTS, AMENITIES, AND FACILITIES ARE MAINTAINED BY THE ASSOCIATION, THE

ASSOCIATION MUST HOLD ELECTIONS OF THE ASSOCIATION'S GOVERNING BODY IN ACCORDANCE WITH ITS GOVERNING DOCUMENTS. THE ASSOCIATION MUST 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 SECTION 5500 ET SEQ. OF THE CIVIL CODE.

The CC&Rs: This Subdivision is subject to the Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for La Colina Estates recorded on September 16, 2015, as Instrument No. 20151145713, the Notice of Annexation for this phase to be recorded and the Declaration of Covenants, Conditions and Restrictions Establishing Solar Restrictions recorded on November 4, 2021, as Instrument No. 20211652632, as all may be amended from time to time, all in the Office of the Los Angeles County Recorder, which include among other provisions, the following:

Article VIII - Section 17 – Solar. Each owner shall own and shall be responsible, at the Owner's sole cost and expense, for the maintenance of any solar system on the Owner's Lot. By acceptance of a deed to a Lot in the Project, each Owner acknowledges that the Solar Shade Control Act, codified at California Public Resources Code Section 25980 et seq., as the same may be amended from time to time, may impact the landscaping improvements that an Owner may maintain on his or her Lot. Currently, under the Solar Shade Control Act, an Owner may not allow a tree or shrub to be placed, or if placed, to be grown on the Owner's Lot so as to cast a shadow that is greater than 10 percent of a solar collector absorption area upon the solar collector surface at any time between the hours of 10:00 a.m. and 2 p.m. local standard time; provided, however, that the foregoing restriction applies only to a tree or shrub planted after the installation of a solar collector and does not apply to a tree or shrub planted prior to the installation of a solar collector. Prior to making any Improvements on a Lot, an Owner shall consider whether the proposed Improvements will shade the absorption area of a solar collector that has been installed on another Lot.

RESIDENTIAL SOLAR ENERGY PROGRAM.

HOMES COVERED BY THIS PUBLIC REPORT MAY HAVE A ROOF-TOP SOLAR ARRAY AND OTHER EQUIPMENT THAT CONVERTS SOLAR ENERGY TO HOUSEHOLD ELECTRICITY (EACH A "**SYSTEM**"). YOU MAY EITHER (1) PURCHASE THE SYSTEM FOR A COST THAT IS ADDED TO THE PRICE OF THE HOME, OR (2) LEASE THE SYSTEM OWNED BY A SOLAR PROVIDER FOR YOU TO USE WHILE MAKING PAYMENTS UNDER A LONG-TERM LEASE ("**LEASE**"). YOU SHOULD CAREFULLY REVIEW AND FULLY UNDERSTAND THE TERMS OF THE SOLAR PROGRAM OFFERED.

THE CALIFORNIA DEPARTMENT OF REAL ESTATE HAS NOT APPROVED OR REVIEWED DOCUMENTS RELATED TO THE SYSTEM OR THE SOLAR PROGRAM OFFERED. YOU ARE ADVISED TO THOROUGHLY REVIEW ALL DOCUMENTS AND INVESTIGATE ALL POSSIBLE OUTCOMES OF ANY SOLAR PROGRAM OFFERED, PRIOR TO SIGNING A PURCHASE AGREEMENT. YOU

MAY WANT TO SEEK INDEPENDENT LEGAL COUNSEL TO ASSIST WITH YOUR REVIEW AND INVESTIGATION.

EXAMPLES OF SOME KEY SOLAR PROGRAM TERMS THAT YOU SHOULD KNOW AND UNDERSTAND ARE: (1) IF THERE ARE ANY UP-FRONT AND RECURRING SYSTEM COSTS; (2) IF YOU HAVE SYSTEM MAINTENANCE RESPONSIBILITIES; (3) IF THERE IS A WARRANTY AND WHAT IT COVERS; (4) IF THERE ARE REQUIREMENTS AND IMPACTS OF RE-SELLING YOUR HOME WITH THE SYSTEM; (5) IF YOU ARE RESPONSIBLE FOR REMOVING THE SYSTEM FOR ROOF REPAIRS AND (IF APPLICABLE) AT THE END OF YOUR LEASE; AND (6) IF YOU DON'T OWN THE SYSTEM, CAN YOU LATER PURCHASE THE SYSTEM AND AT WHAT COST.

ADDITIONAL INFORMATION ABOUT SOLAR ENERGY SYSTEMS FOR NEW HOMES IS ON THE WEBSITE OF THE CALIFORNIA ENERGY COMMISSION AND PUBLIC UTILITIES COMMISSION, AT [HTTP://WWW.GOSOLARCALIFORNIA.CA.GOV/](http://www.gosolarcalifornia.ca.gov/).

Declaration of Covenants, Conditions and Restrictions Concerning Dispute Resolution and Notice of Election of Nonadversarial Procedure: This Subdivision will also be subject to the Declaration of Covenants, Conditions and Restrictions Concerning Dispute Resolution and Notice of Election of Nonadversarial Procedure recorded on November 3, 2021 as Instrument No. 20211649420 in the Office of the Los Angeles County Recorder, as the same may be amended from time to time, and which will govern disputes between owners or the Association and the Subdivider.

Single family dwellings in the Project are limited to twenty-five (25) feet.

Lots 28, 30, 42, 43, 45 and 46 of Tract No. 66608 and Lots 37, 39, 40, 42, 44, 51, 52 or 54 of Tract No. 66609 are prohibited from adding additional covered living area to the residences on such lots.

Access for parking for the Fairmont Cemetery is provided for in the CC&Rs.

Recreational vehicles may be parked in the rear or side yard of lots in the Subdivision subject to the City's Municipal Code and screening requirements adopted by the Board of Directors.

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

Documents to be Furnished:

THE SUBDIVIDER STATED IT WILL FURNISH THE CURRENT BOARD OF OFFICERS OF THE ASSOCIATION AND EACH INDIVIDUAL PURCHASER WITH THE DEPARTMENT OF REAL ESTATE REVIEWED ASSOCIATION BUDGET FOR THIS PHASE OF THE SUBDIVISION.

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 BUSINESS AND PROFESSIONS CODE AND SECTION 4800 OF THE CIVIL CODE).

THE SUBDIVIDER SHALL MAKE A COPY OF THE GOVERNING DOCUMENTS 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. (BUSINESS AND PROFESSIONS CODE SECTION 11018.6)

MAINTENANCE AND OPERATIONAL EXPENSES:

Association to Levy Assessments. The Association has the right to levy assessments against you for the 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.

Budget. The Subdivider has submitted a budget for the management, maintenance and operation of the Association's obligations and for long-term reserves. This budget was reviewed by the Department of Real Estate in September 2022. You should obtain a copy of this budget from the Subdivider. Under this budget, the monthly assessment against each lot will be \$384.42 of which \$74.58 is a monthly contribution toward long-term reserves which are not to be used to pay for current management, maintenance and operating expenses.

IF THE BUDGET FURNISHED TO YOU BY THE SUBDIVIDER SHOWS A MONTHLY ASSESSMENT FIGURE WHICH IS AT LEAST 20% MORE OR AT LEAST 10% LESS THAN THE ASSESSMENT AMOUNT SHOWN IN THIS PUBLIC REPORT, YOU SHOULD CONTACT THE DEPARTMENT OF REAL ESTATE BEFORE ENTERING INTO AN AGREEMENT TO PURCHASE.

NOTE: THE BUDGET INFORMATION INCLUDED IN THIS PUBLIC REPORT IS APPLICABLE AS OF THE DATE OF BUDGET REVIEW AS SHOWN ABOVE. EXPENSES OF OPERATIONS 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 HOMES OR A SIGNIFICANT REDUCTION IN BUDGETED ASSOCIATION SERVICES. IF THE SUBDIVIDER BECOMES AWARE THAT DELINQUENT ASSESSMENTS HAVE CAUSED THE ASSOCIATION TO RECEIVE TEN PERCENT (10%) LESS INCOME FOR THE FISCAL YEAR THAN REFLECTED IN THE THEN CURRENT ASSOCIATION BUDGET, THE SUBDIVIDER SHALL USE REASONABLE EFFORTS TO NOTIFY THE DEPARTMENT OF REAL ESTATE IN WRITING (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 (BUSINESS AND 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 Section (b) of Civil Code Section 5300 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 SUBDIVISION ASSOCIATION. 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.

The Covenants, Conditions and Restrictions provide that the Subdivider or other owner of a subdivision interest will be allowed to defer from payment, that portion of any assessments 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 the allowance are specifically set forth in the Restrictions (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.

Assessment 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 small increase) in assessments, care should be taken not to eliminate amounts attributable to reserves for replacement or major maintenance.

Commencement of Assessments: Regular assessments for the Association will commence on all lots in this phase on the first day of the first month following the conveyance of the first lot in this phase. The Subdivider must pay assessments to the Association for all unsold lots in this phase (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 all other owners.

Subdivider's Assessment Security: The Subdivider will post a bond as partial security for its obligation to pay six months of assessments applicable to the lots in this phase owned by the Subdivider. 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 in this phase before agreeing to a release or exoneration of the security.

USES/ZONING/HAZARD DISCLOSURES AND OTHER 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 and all existing, proposed or possible future uses adjacent to or in the vicinity of the subdivision. At the time this public report was issued, some of the land uses that surround the subdivision, include, but are not limited to, the following:

Zoning

North: Sierra Madre Avenue & Single Family Residential
South: Burlington Northern Santa Fe Railroad & Metro Rail
East: Barranca Avenue & Single Family Residential
West: Azusa Rosedale Community & Residential Lots surround the cemetery located to the North, East & West

Uses

The Subdivider advises that the following uses exist within or near this development:

- There are a number of parks located within a 2 mile radius of the project.
- Foothill Presbyterian Hospital is located approximately 1.125 miles southeast of the project.
- East Valley Hospital is located approximately 1.625 miles southeast of the project.

- A police station is located approximately 1.50 miles southeast of the project.
- A fire station is located approximately 1.125 miles southeast of the project.
- Glen Oaks Golf and Racquet Club is located approximately 2 miles southeast of the project.
- Citrus College is located approximately .375 miles south of the project.
- Haugh Performing Arts College is located approximately .375 miles south of the project.
- Azusa Pacific University West is located approximately .625 miles south and .625 miles southwest of the project (2 campus locations).
- Azusa Greens County Club is located approximately 1.75 miles west of the project.

Fairmont Cemetery. The Fairmont Cemetery is located on property adjacent to a portion of the western boundary of Tract No. 66609. You may be exposed to noise, occasional traffic congestion, and other adverse impacts relating to the use and maintenance of the cemetery. Subdivider makes no warranties or representations of any kind or nature, express or implied, regarding the cemetery. You are responsible for investigating such matters to the extent you deem appropriate prior to completing the purchase of a lot in the Subdivision.

Hospitals and Medical Facilities. Foothill Presbyterian Hospital is located approximately one mile southeast of the Community, and East Valley Hospital is located approximately one and half miles southeast of the Community. Buyer may experience, and/or be exposed to, significant noise (e.g., from ambulance sirens, etc.), traffic congestion, and other adverse impacts relating to the maintenance and operation of the hospitals.

Hazards

The Subdivider advises that the following hazard(s) exist within or near this development:

- Route 66 is located approximately .875 miles south of the project.
- Little Dalton Wash is located approximately .625 miles south of the project.
- Big Dalton Wash is located approximately 1.75 miles south of the project.
- Interstate 210 (Foothill Freeway) is located approximately 1.50 miles south of the project.
- Englewild Canyon is located approximately 2 miles northeast of the project.
- Angeles National Forest is located approximately 1.125 miles north of the project.
- San Gabriel River is located approximately 1.375 miles south of the project.
- Two flood control basins are located approximately 1.75 miles northwest of the project.
- Metropolitan Water District Aquaduct Upper Feeder is located approximately 1.25 miles northeast of the project.
- Roberts Canyon is located approximately 1.75 miles northwest of the project.

Railroad Line. A railroad line is located along with southern border of Tract No. 66609. Trains may travel on the railroad line at all times of the day and night. Train cars may be

unhitched and hitched on portions of the railroad line located near the Community. You may experience, and/or be exposed to, significant noise, odors, air pollution, diesel fumes, visual blight, bright lights, vibrations, wind, dirt, debris, and other adverse impacts relating to the operation and maintenance of the safety hazards (e.g., hazards resulting from chemical spills, collisions, etc.). Unsupervised children should not be allowed near the railroad line. Subdivider has no control over the operation and maintenance of the railroad line. You are responsible to investigate such matters to the extent you deem appropriate prior to completing the purchase of a lot in the Subdivision.

Prior Usage of Community Site and Usage of Other Property in Vicinity of Community. Subdivider is informed that portions of the Subdivision site were previously used for agricultural purposes (e.g., citrus groves, etc.) and as a nursery. There may have been other prior uses of the Subdivision as well. Elevated levels of arsenic from past nursery operations have been detected in soil samples at the Project site. The California Department of Toxic Substances Control ("DTSC") is considering a plan to address the contaminated soils and will oversee the implementation of the plan. Subdivider makes no representations or warranties regarding the prior usage of the Project site or the soil or groundwater. You are encouraged to investigate this matter to your full and complete satisfaction prior to completing the purchase of a lot in the Subdivision. Additional information may be obtained from DTSC, 9211 Oakdale Avenue, Chatsworth, CA 91311, (818) 717-6521.

Winds. California is subject to periods of high winds. Wind speeds in the Community may exceed that experienced in other areas of the surrounding region. Buyer must ensure that any structures or other Improvements are constructed or designed to withstand high winds. You are advised to consult with experienced architects and engineers in the design and specification of any structures or Improvements that Buyer plans to add.

THIS IS NOT A COMPLETE LIST OF THE DISCLOSURE RELEVANT TO THIS PHASE OR THE PROJECT. SUBDIVIDER WILL PROVIDE YOU WITH ADDITIONAL DISCLOSURES THAT YOU ARE ADVISED TO REVIEW AND CONDUCT YOUR OWN INVESTIGATION OF ALL THOSE MATTERS OF INTEREST TO YOU PRIOR TO ENTERING INTO AN AGREEMENT TO PURCHASE A LOT IN THIS PHASE OF THE SUBDIVISION.

Natural Hazards

The Subdivider has advised that all or portions of the Subdivision to the Public Report are located within an *Earthquake Fault Zone*. Additionally, the Subdivider has advised that prospective purchasers within this Zone will be provided a separate disclosure required under Public Resources Code Section 2621.9.

The Subdivider has advised that all or portions of the Subdivision to the Public Report are located within a *Seismic Hazard Zone – Area of Potential Liquefaction*. Additionally, the Subdivider has advised that prospective purchasers within this Zone will be provided a separate disclosure required under 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 days after delivery in person or five 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.

If any disclosure, or any material amendment to any disclosure, required pursuant to 1103 et. seq. is delivered after the execution of an offer to purchase, the purchaser shall have three days after delivery in person or five 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.

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.

City and County-Designated Zone Determinations. California law allows cities and counties to establish policies and criteria stricter than those set by the State respecting, but not limited to, the permitting and development of properties found to be in or affected by the certain natural hazards. This information may be used by the local jurisdiction relative to making decisions regarding new development or additional construction. The agencies and jurisdictions which develop the official maps do not necessarily define or delineate hazards in the same way. A site can be in a hazard zone from one source and not in a hazard zone from another source. Properties that are in a mapped geologic hazard zone may require a geologic study prior to any new or additional construction. According to the Natural Hazard Disclosure Statement for the Project, the Project lies within the following:

- County Fault Zone. Within one-eighth of one mile (660 feet) of an unzoned Active Fault Trace.
- City Fault Zone. Within 660 feet of fault mapped by the City.

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 during any 24-hour period. 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 Civil Code or any pertinent local ordinance.

Commercial or Industrial Use. The Subdivider has been advised that all or portions of the Subdivision subject to this Public Report are located within one (1) mile of a property that is zoned by the City to allow commercial or industrial use. California Code of Civil Procedure Section 731a currently provides that, except in an action to abate a public nuisance brought in the name of the people of the State of California, no Person shall be enjoined or restrained by the injunctive process from the reasonable and necessary operation in any industrial or commercial zone or airport of any use expressly permitted therein, nor shall such use be deemed a nuisance without evidence of the employment of unnecessary and injurious methods of operation, provided any city, city and county, or county shall have established zones or districts under authority of law wherein certain manufacturing or commercial or airport uses are expressly permitted. Accordingly, Subdivider discloses that the Subdivision is located within one mile of a property that is zoned by the City to allow commercial or industrial use.

PURCHASERS SHOULD FAMILIARIZE THEMSELVES WITH THE SURROUNDING AREAS OF THE SUBDIVISION BEFORE SIGNING A PURCHASE AGREEMENT/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, mechanics 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.

Easements: Easements for utilities and other purposes are shown on the title report and Subdivision Map filed in the Office of the Los Angeles County Recorder, in Book 1385, Pages 71 to 78 of Maps.

Adjustments to the original subdivision map(s) 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.

Mineral Rights:

You will not own the mineral, oil and gas rights under your land below a depth of 500 feet. These have been reserved as per your grant deed. The right to surface entry has been waived.

TAXES

Regular Taxes: The maximum amount of any tax on real property that can be collected annually by counties is one percent (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 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 City of Glendora Streetlight Maintenance District No. 1 and is subject to any taxes, assessments and obligations thereof. This District was formed to provide for maintenance of street lighting, safety lighting and traffic signals. 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 the Public Report the 2022-2023 assessment is \$45.57. The administration of this District will be provided by City of Glendora Public Works.

This Subdivision also lies within the boundaries of the following districts and is subject to any taxes, assessments and obligations thereof:

- Los Angeles County Flood Control District
- Los Angeles County Consolidated Sewer Maintenance District
- Los Angeles County Sanitation District No. 22
- Los Angeles County Department of Public Works -Safe Clean Water Program (Measure W)
- Metropolitan Water District of Southern California

- San Gabriel Valley Mosquito and Vector Control District
- Three Valleys Municipal Water District
- Upper San Gabriel Valley Municipal Water District
- Los Angeles County Trauma, Emergency and Bioterrorism Response Assessment
- Los Angeles County Fire Department
- Los Angeles County Regional Park and Open Space District Measure A

FINANCING

Pursuant to Civil Code Section 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 the repaying of 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 a 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.

A 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 of the loan 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.

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

A 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: If you obtain financing from a federal or state regulated lender, the financing terms of the loan may 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 should 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 should be furnished to you at the time you receive your loan application and before you pay a nonrefundable fee.

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 [Refer to Business and Professions Code Sections 11013, 11013.1 and 11013.4(a).]

If the escrow has not closed on your lot within one (1) year of the date of the Seller's Execution of the Purchase Contract and Escrow Instructions, you may request the return of your purchase money deposit.

IF THE FINAL PUBLIC REPORT HAS NOT BEEN ISSUED WITHIN SIX (6) MONTHS FROM THE DATE OF ISSUANCE OF THIS CONDITIONAL PUBLIC REPORT, YOU MAY REQUEST THE RETURN OF YOUR DEPOSIT. THE TERM OF THIS CONDITIONAL PUBLIC REPORT MAY BE EXTENDED FOR AN ADDITIONAL SIX (6) MONTH TERM.

Note: Section 2995 of the 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 PHASE OF THE SUBDIVISION.

SOILS AND GEOLOGIC CONDITIONS

All lots will contain filled ground. Information concerning filled ground, soil conditions and geologic conditions is available at: City of Glendora Planning/Engineering Department, 116 E. Foothill Blvd., Glendora, CA 91741.

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 SUBDIVISION 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 SUBDIVISION.

Post Tension Slabs. Buyer hereby acknowledges that the concrete slab for Buyer's Residence MAY BE reinforced with a grid of steel cables installed in the concrete and then tightened to create very high tension. This type of slab is commonly known as a "Post Tension Slab." Buyer further acknowledges cutting into a Post Tension Slab for any reason (e.g., to install a floor safe, to remodel plumbing, etc.) is very hazardous and may result in serious damage to property and/or personal injury. If applicable, accepting a grant deed to the Property, Buyer hereby specifically covenants and agrees that:

- (a) He/she shall not cut into or otherwise tamper with the Post Tension Slab;
- (b) He/she shall not knowingly permit any other person to cut into or tamper with the Post Tension Slab, so long as Buyer owns any interest in the Property;
- (c) He/she shall disclose the existence of the Post Tension Slab to any tenant, lessee, or grantee of the Property; and
- (d) He/she shall indemnify and hold Seller, and its respective officers, employees, contractors and agents, free and harmless from and against any and all claims, damages, losses, or other liability (including attorney's fees) arising from any breach of this covenant.

Expansive Soil. Soil in the Community ranges from very low to very highly expansive in nature. Expansive soil will expand when it becomes wet and contracts when it dries out. This expansion and contraction may cause movement, lifting, cracking and distress in slabs, patios, sidewalks and other flatwork Improvements. You should be aware that over-watering the soil or ponding of water adjacent to the foundation of the Residence may cause damage to the structures or accelerate the time period over which said damage occurs. By its very nature, concrete will crack. Movement of Improvements constructed on expansive soil is normal and will occur. You should advise contractors, engineers, and/or architects of the presence of these expansive soils so that their effects may be mitigated by appropriate design and construction techniques. Copies of the soils reports for the Community are available for review at the City.

Streets and Roads:

The majority of the streets in the Project are public, however, 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.

Schools:

This Subdivision lies within the Glendora Unified School District (626) 963-1611. This District advises the schools initially available to this Subdivision are:

La Fetra Elementary School
547 West Bennett
Glendora, CA 91741
(626) 852-4566

Grades K – 5

Sandburg Middle School
819 West Bennett
Glendora, CA 91741
(626) 852-4530

Grades 6 – 8

Glendora High School
1600 East Foothill Blvd.
Glendora, CA 91741
(626) 963-5731

Grades 9 – 12

This school information was provided prior to the date of issuance of this Public Report and is subject to change. For the most current information regarding school assignments, facilities and bus service, purchasers are encouraged to contact the school district.

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 South
320 West 4th Street, Suite 350
Los Angeles, CA 90013-1105
(213) 576-6983**

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 172771LA-F00/C00
[FILE NUMBER]

TRACT NO. 66608 "LA COLINA ESTATES"
[TRACT NUMBER OR NAME]

PHASE 23 LOTS 42-47
[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:

MARCH 3, 2023
[DATE ISSUED]

[DATE AMENDED]

SEPTEMBER 2, 2023
[EXPIRATION DATE]

[NAME]

[SIGNATURE]

[ADDRESS]

[DATE]