



COACHELLA VALLEY LOCAL AREA DISCLOSURE FORM

Property Address: _____ **(hereafter “Property”)**

Seller and Buyer understand and agree that this Local Area Disclosures statement is not a complete list of all matters concerning Property or residing in the Coachella Valley, or its cities or communities, or that otherwise are significant. Also, the entity, phone numbers and/or websites that are included may not be the only source of information. **Buyer is strongly encouraged to conduct a careful, thorough, independent, and complete investigation of all matters relating to the decision to purchase Property** and all other matters that Buyer deems appropriate to make an informed and voluntary decision, including, but not limited to, consulting with appropriate specialists, experts, or other professionals.

1. GENERAL COACHELLA-WIDE DISCLOSURES

a. Proposed Development:

Please be advised this is a disclosure that the Coachella Valley is regularly undergoing various residential and commercial development projects. Buyers and Sellers are encouraged to investigate all potential development in relation to the property with the applicable authorities.

b. Homeowners Associations:

Please be advised this is a disclosure that a property may be subject to mandatory membership to one or possibly several homeowners’ associations (HOA’s). HOA’s may charge mandatory membership dues and may, per its By-laws and/or Conditions, Covenants, and Restrictions, and may restrict the use and development of a property. Membership dues may be charged on a monthly, quarterly, or annual basis and may have authority to impose special assessments. It is recommended that all potential buyers carefully review all HOA By-laws, and/or Conditions, Covenants, and Restrictions with a legal professional before the close of escrow.

c. Country and Other Club Membership:

Please be advised this is a disclosure that a property may be subject to mandatory Country or other Club Membership. There are many properties in the Coachella Valley which are subject to CC&Rs that require the transfer of Seller’s proprietary Country or other Club Membership before the close of escrow and final transfer of property. Buyer is aware that a fee may be required prior to such a transfer. Buyer is encouraged to review property CC&Rs and contact the HOA, Country Club, Club, or Management firm to determine whether such a requirement exists, and the amount of the transfer fee.

d. Property Use Restrictions – Short-term Rentals, Vacation Rentals, and others:

Please be advised this is a disclosure that Riverside County, and/or multiple cities within the Coachella Valley as well as various HOA's and Country Clubs restrict or are contemplating restricting short-term and vacation rentals of residential properties. Note that these restrictions and regulations may change at any time and may include renting homes on VBRO, AirBNB, Craigslist, and other short-term rental websites. Additionally, properties within the immediate surrounding area of the property being considered may be used as short-term or vacation rentals, whether, or not, in compliance with existing restrictions within the community. All prospective buyers are encouraged to investigate local restrictions on rentals and applicable use in the surrounding area with applicable City, HOA, Country Club or Other Club, to understand any regulations, restrictions, or whether any changes to these restrictions and regulations are planned or contemplated, as well as any enforcement issues.

e. Leased Land:

Please be advised this is a disclosure that many homes and/or structures in the Coachella Valley are on leased land which may be owned by Native Americans or non-Native American, individuals or entities. This type of land is leased, rather than sold. This means that the real property, or land that lies underneath the home or structure, does not transfer with title. Upon the transfer of these properties, the Buyer may receive a land lease or sublease, rather than Fee Simple title to the property. Broker strongly recommends that potential buyer investigate whether the Property is located on such leased land and what type of title, of any, Buyer will receive upon close of the subject transaction. If the Property is on Native American Tribal lease land, the Bureau of Indian Affairs is usually involved and must approve any transfer. This can cause delays in the process. There may also be substantial transfer fees required and payment of these fees is negotiable between the buyer and seller. The remaining term of lease or sublease should also be considered, as well as the potential for renewal. Broker further recommends Buyer procure and review all lease and or sublease documents affecting the Property, and consult with the proper experts, including legal and tax counsel, regarding the impact of lease or subleases and this form of ownership on the Buyer's use and enjoyment of the property.

f. Location of Airports and Hospitals:

Please be advised this is a disclosure that there are several airports/airfields and hospitals in Coachella Valley. These include but are not limited to: 1) Palm Springs International Airport, 2) Bermuda Dunes Airport, 3) Jacqueline Cochran Regional Airport and multiple hospitals with Medivac. These areas and possibly others are subject to aircraft noise, including helicopter noise. The frequency and hours of aerial traffic, flight paths, altitude and other factors related to airports are subject to change. Buyer should contact the appropriate authority to satisfy itself as to current and possible future use, current and possible future flight paths, and current and possible future operating hours of the airports. Buyer is encouraged to investigate whether any such facility will impact the use and enjoyment of the Property. Buyer should be aware that

notwithstanding any published hours of operation, all airports and landing facilities may be subject to emergency and unforeseen uses at any time.

g. Transportation Corridors:

Please be advised this is a disclosure that the Property may be in an area where public authorities are completing construction or extension of various transportation projects. Plans for exact locations and extend of these projects may change before completion. It is recommended that Buyer review the California Department of Transportation, city or county documentation dealing with the proposed projects.

h. Pests and Vermin:

Please be advised this is a disclosure that there are numerous pests in the Coachella Valley, including, but not limited to, rattlesnakes, scorpions, black widow spiders, ants, fire ants, skunks, raccoons and coyotes (collectively "pests") Buyer is encouraged to take appropriate steps to protect children and/or pets, to avoid injury or death. Buyer is encouraged to consult with a local pest control company or wildlife control company to determine whether regular service of the Property can provide some protection from the pest problems.

i. Golf Courses:

Please be advised this is a disclosure that purchasing a home adjacent to, or on a golf course generally results in the Buyer assuming all foreseeable risks associated with a golf course, such as, injury from a golf ball and/or property damage. Buyer is aware that a home adjacent to, or on a golf course may not include the right to use or access any part of the golf course. Buyer is aware that the golf courses use, and maintenance, may impact the subject Property's noise and disturbance levels. Buyer is encouraged to investigate the impact on the use of the Property, regarding being adjacent to or on a golf course, and how it may affect their enjoyment and use of such Property. Buyer is encouraged to investigate what additional fees may be involved to use golf courses as additional fees may be required. Buyer is encouraged to investigate the financial stability of the golf course. The golf course may or may not be under ownership of the HOA.

j. Swimming Pools and Spas:

Please be advised this is a disclosure that many properties in the Coachella Valley have pools and spas, with related pumps, heaters, and equipment. Some pools are many years old and may need re-plastering, repair, or replacement of equipment. Some pool or spa equipment may be leased or there may be a special encumbrance. Some pools have been painted which may result in a milky discoloration of the water and may require constant maintenance or re-plastering. Not all pools will have heaters, heating a pool can be very costly. Buyer is advised to obtain the services of a professional pool service company to inspect all aspects and conditions of a pool and or spa, to determine how the condition may impact the buyer's use and enjoyment of the Property and the estimated costs to maintain and/or repair the pool and spa.

k. Sport Venues, Entertainment Venues and Events:

Please be advised that the Coachella Valley is home to numerous Sport and Entertainment Venues and Entertainment Events. Buyer is therefore aware that noise from the above venues and/or events, as well as traffic caused by venue and/or event attendees, may impact the use and enjoyment of Property. Buyer should contact the appropriate venue for more information about these projects.

i. Equestrian Property:

Please be advised this is a disclosure that there are several equestrian and horse stable operations in the Coachella Valley with resulting animal odors. Buyer should investigate the proximity of Property to any equestrian properties/facilities. Additionally, if Buyer intends to utilize Property for stabling or housing animals, Buyer should make a thorough independent examination of zoning requirements, CC&R's other HOA governing documents and local ordinances access issues.

m. Walls and Boundaries:

Please be advised this is a disclosure that some homes and estates in Coachella Valley, have walls or fences that may not actually be on the property line, particularly older homes that were constructed without the benefit of surveys and the careful attention to actual boundary lines. Buyer should pay careful attention to existing walls or boundaries and determine exact locations, encroachments or "prescriptive uses." If there is any concern a professional survey should be requested, the cost of which is negotiable between Buyer and Seller.

n. Interior or Exterior:

Please be advised this is a disclosure that when furnishings are removed from a Property, there may be marks and or indentations in tile, carpeting and other flooring. When wall décor is removed from a home, there may also be discoloration of paint, or wallpaper and/or marks and holes on the walls. Buyer is aware real estate agents, while conducting inspections, will not move furniture, furnishings and/or wall coverings. Buyer is to perform a final walk-thru of the property per the terms of the contract. Some properties in the Coachella Valley may be architecturally or historically significant and may be subject to government or other rules which limit modification or improvements to the property, particularly the exterior property. All prospective buyers are encouraged to investigate restrictions the property may have regarding moving any interior or exterior walls.

o. Easements:

Properties may be subject to various different easements, including easements not of record known as prescriptive easements. Buyers should carefully review Preliminary Reports for all easement and buyers are encouraged to discuss any questions with legal counsel. Some properties are subject to what is known as a prescriptive easement. This type of easement is obtained by a person using a portion of the property, including use for ingress and egress to other property, without the permission of the current or past landowner and having established the use for at least five (5) years. Buyers are encouraged to look for signs of such use when conducting their investigation and consult with legal counsel.

2. ENVIRONMENTAL DISCLOSURES

a. Earthquakes:

Please be advised this is a disclosure that Coachella Valley has experienced earthquakes in the past and will likely experience more earthquakes in the future. Property damage caused by earthquakes is not always visible or discoverable by agents, brokers, or potential buyers during an inspection or walkthrough of a property. Inspection by a licensed professional is recommended to determine the structural integrity of any given property. For more information, please review your Statewide Buyer and Seller Advisory provided by your agent and/or broker.

b. Flood Areas:

Please be advised this is a disclosure that certain Coachella Valley properties may be subject to flooding. It is recommended that potential buyers review any and all-Natural Hazard Disclosures provided. It is also recommended that potential consult flood maps provided by Federal Emergency Management Agency ("FEMA") at: <https://msc.fema.gov/portal/home>. Such flooding may affect the value of the property and result in damage, leaks, and embankment erosion, amongst other issues. There are several dry stream beds, or "washes" throughout the Coachella Valley that may flood during heavy rains. "Flash Flooding" can make access to some properties difficult, dangerous, and inaccessible during periods of heavy rain. The heavy rain may occur a distance away from property but still cause flooding on or near the property. Buyer is encouraged to consult appropriate licensed professionals to satisfy any questions concerning the Property pertaining to past flooding and/or potential flooding and problems that may result from such flooding.

c. High Winds:

Please be advised this is a disclosure that from time to time, areas in Coachella Valley are subject to high winds. High winds may result in damage to a property, including but not limited to, falling trees and debris, roof damage, and flying dust and debris. Some areas may be subject to greater wind than others based on numerous factors, such as terrain and weather conditions. Sand and windstorms may occur and may cause damage. Additionally, areas of Coachella Valley may suffer from odors which are transmitted from the Salton Sea. Buyer is advised to consult with the appropriate experts regarding the potential impact of these conditions on the Property.

d. Soils and Landslides:

Please be advised this is a disclosure that real estate in Coachella Valley is subject to subsidence, erosion, setline, slippage, earthquakes, and other movement of property. Additionally, a property may be constructed on fill or improperly compacted soils. This can result in inadequate drainage and damage to the property, including structural problems. It is recommended that all prospective buyers consult with a civil or geotechnical engineer for any and all issues relating to soil stability, grading, compaction, drainage, and other soil-related conditions.

e. Salton Sea and Water Conflicts:

Please be advised this is a disclosure that the Salton Sea is a large body of semi-stagnant saltwater lying below sea level at the Eastern end of Coachella Valley. The Salton Sea may cause an unpleasant odor noticeable throughout the Coachella Valley. Buyer is advised to investigate this condition and its impact on the Property. There are pending lawsuits between the Water Districts in the Valley and the Native American tribes, contesting the rights to provide water and watershed and ground water maintenance issues which may affect the public water supply. Most of the public water provided by the Water Districts is underground and pumped from wells. There is ongoing concern about the varying levels of the water table in the Coachella Valley. Buyer is encouraged to contact the applicable Water District to obtain information regarding the issues and if it would impact the use and enjoyment of the Property.

f. Joshua Trees:

Please be advised that this is a disclosure that the California's Department of Fish & Wildlife has recommended that Joshua Trees be protected under the state's Endangered Species Act. Buyer is advised to perform their due diligence to their personal satisfaction regarding any concerns pertaining to the maintenance, relocation and/or removal of any Joshua Trees located at the Property. Inquiry into the treatment of any Joshua Trees at the Property exceeds the background, training, education, experience, licensure and/or scope of agency relating to the

marketing and/or sale of the Property. Buyer is aware that Broker and Agents have not, and shall not, inquire into any issues pertaining to any Joshua Trees located at the Property.

g. Water Districts Facilities

Please be advised that some Water Districts may plan to build additional facilities such as, a water treatment and/or water reclamation facilities (sewer system). Buyer is advised to investigate this issue and consult with the appropriate experts on how it will affect the above stated Property.

Buyer is advised to consult with the appropriate experts regarding the potential impact of these conditions on the Property.

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SIGNATURE OF RECEIPT

Please be advised that the Disclosures above, while believed to be true and correct, are not intended to be a complete compilation of all possible conditions or issues in the Coachella Valley. There may be new and/or additional conditions that may affect a property and its value.

BUYER SHOULD INVESTIGATE AND OBTAIN INFORMATION ON ALL ISSUES OF CONCERN AND SHOULD NOT SOLELY RELY ON THE INFORMATION RECEIVED FROM THESE DISCLOSURES, OR HIS/HER AGENTS, BROKERS, OR THE SELLER. YOUR BROKER AND AGENT HAS PROVIDED THESE DISCLOSURES FOR INFORMATIONAL PURPOSES ONLY AND HAS NOT INVESTIGATED THE ISSUES.

I/WE HAVE READ THESE DISCLOSURES AND THE ACCOMPANY DISCLAIMER AND I/WE ACKNOWLEDGE THAT I/WE HAVE RECEIVED AND REVIEWED THESE DISCLOSURES AND HAVE BEEN ADVISED TO CONDUCT ALL NECESSARY INSPECTIONS AND INVESTIGATIONS.

BUYER:

Date: _____

Signature

Printed Name

Date: _____

Signature

Printed Name

SELLER:

Date: _____

Signature

Printed Name

Date: _____

Signature

Printed Name