

MANDERLEY PROPERTY SERVICES

Goetz & Associates, Inc.

3563 EMPLEO STREET SUITE B

SAN LUIS OBISPO CA 93401

PHONE 805-544-9093

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TO: GARY SEE

FROM: LYNDA

COMPANY: BAYSHORE VILLAGE

DATE: 3.29.05

FAX NUMBER: 267-220-2374

TOTAL NO. OF PAGES
INCLUDING COVER: 6

SUBJECT: BREZDEN INSPECTIONS

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

| Building No. | Street | City | Zip | Date of Inspection | Number of Pages |
|--------------|----------------------------|-----------|-------|--------------------|-----------------|
| 155 | ,157,159,161 Sandpiper Ln. | Morro Bay | 93442 | 03/22/05 | 4 |

Brezden Pest Control Inc.
3261 S Higuera Ste #100
San Luis Obispo, CA, 93401
 Tel 805-544-9446 Fax 805-544-2807
 Registration #: OPR6313

A LICENSED PEST CONTROL OPERATOR IS AN EXPERT IN HIS/HER FIELD. ANY QUESTIONS RELATIVE TO THIS REPORT SHOULD BE REFERRED TO HIM/HER.

Report #: 2485

| | | |
|--|---|---|
| Ordered by: Bay Shore Village HOA 155,157,159,161 Sandpiper Ln. Morro Bay, CA 93442 | Property Owner and/or Party of Interest: Bay Shore Village HOA 155,157,159,161 Sandpiper Ln. Morro Bay, CA 93442 | Report sent to: Bay Shore Village HOA 3563 Empleo #B San Luis Obispo, CA 93401 |
|--|---|---|

COMPLETE REPORT
 LIMITED REPORT
 SUPPLEMENTAL REPORT
 REINSPECTION REPORT

| | |
|--|--|
| General Description: two story condos, comp. shingle, stucco and wood ext., 2 car garage, raised foundation | Inspection Tag Posted: underside of the front porch Other Tags Posted: |
|--|--|

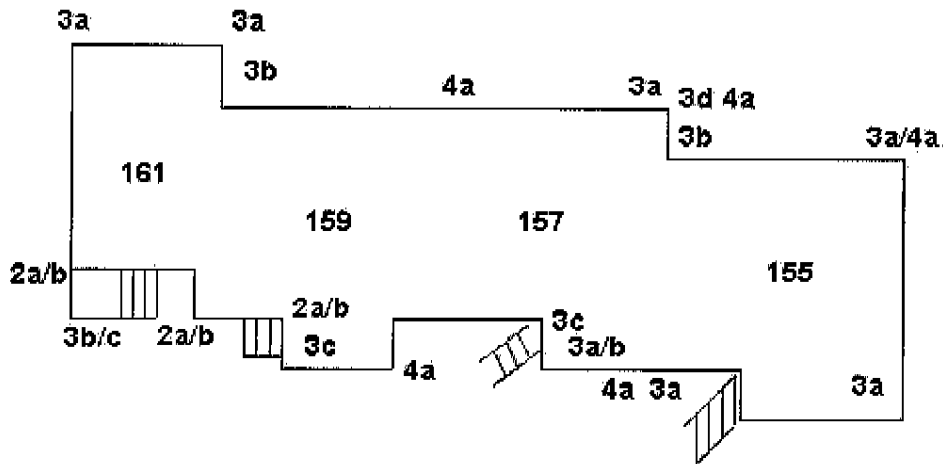
An inspection has been made of the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.

Subterranean Termites
 Drywood Termites
 Fungus/Dryrot
 Other Findings
 Further Inspection

If any of the above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items.

Key: 1 = Subterranean Termites
 2 = Drywood Termites
 3 = Fungus/Dryrot
 4 = Other Findings
 5 = Unknown Further Inspection

Limited to the exterior



Inspected By: Archie Corpuz License No.: FR30314 Signature: _____

You are entitled to obtain copies of all reports and completion notices on this property reported to the Structural Pest Control Board during the preceding two years. To obtain copies contact: Structural Pest Control Board, 1418 Howe Avenue, Suite 18, Sacramento, California, 95825-3204.
 NOTE: Questions or problems concerning the above report should be directed to the manager of the company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control Board at (916) 561-8708, (800) 737-8188 or www.pastboard.ca.gov. 43M-41 (REV. 10/01)

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General Comments

This is a "Wood Destroying Pests and Organisms Report". This is not a "Pest Control Report" that includes such common non-wood destroying pests such as ants, earwigs, cockroaches, silverfish, fleas, rodent, bats, etc. If you would like this property inspected for non-destroying pests, Brezden Pest Control Inc. will perform the inspection at your request at an additional charge. "This Wood Destroying Pests and Organisms Report does not include mold or any mold like condition. No reference will be made to mold or mold like condition. Mold is not a Wood Destroying Organism and is outside the scope of this report as defined by the Structural Pest Control Act. If you wish your property to be inspected for mold or mold like conditions, please contact the appropriate mold professional."

A Wood Destroying Pests and Organisms Report contains findings as to the absence or presence of evidence of wood destroying pests and organisms in the visible and accessible areas and contains recommendations for correcting any infestations or infections found. The Structural Pest Control Act, Rules and Regulations govern the contents of a Wood Destroying Pest & Organism Inspection Reports. Some structures do not comply with the building code requirements or may have structural, plumbing, electrical, heating, air conditioning or other defects that do not pertain to wood destroying organisms. This Report will not contain information on such defects, if any, as they are not within the scope of the licenses of either the Inspector or Brezden Pest Control Inc. Recommendations in this report are designed to eliminate damage as a result of wood destroying pests, organisms and adverse conditions that lead to same. This inspection report is not designed to bring structure(s) into existing local code compliance. The Structural Pest Control Act requires inspection of these areas that are visible and accessible at the time of inspection. Some areas of the structure are not accessible to inspection, such as interior of hollow walls, spaces between floors, areas concealed by carpeting, and/or other types of floor coverings, insulation, built-in appliances, or cabinet work. Infestations, infections and conditions that may lead to same, may be active in these areas without visible and accessible evidence. Areas not inspected are noted in the report. If you desire information about the areas that were not inspected, a further inspection will be performed upon request and at an additional cost. We cannot guarantee work done by the owner, his agent or other trades. We make no guarantee against future infections, adverse conditions or conditions present but not evident at the time of our inspection.

When work is completed by Owner and/or other tradesmen, upon request from the Owner/agent, and if requested within four-month of the date on the Original inspection, a Reinspection will be made by our firm if an estimate of bid for making repairs was given with the Original inspection report, or thereafter. It is law that each Reinspection or Supplemental Report be filed with the Structural Pest Control Board and sent to all interested parties. Therefore, our minimum charge for each Reinspection will be no greater than the cost of our Original Report. By law, after four months from the Original inspection, all inspection shall be Original inspections and not Reinspections (8516, 13). A charge will be made for each Reinspection. When the person ordering these inspection requests that a modification be made to the finished report, and that request is not part of the original order, an addition charge will occur each time a finished report is modified.

NOTICE: Reports on this structure prepared by various registered companies should list the same findings, (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company.

The exterior surface of the roof will not be inspected. If you want water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractors' State Licensed Board.

NOTICE: The charge for service that this company subcontracts to another registered company may include the company's charges for arranging and administering such services that are in addition to the direct costs associated with paying the subcontractor. You may accept Brezden Pest Control Inc.'s bid or you may contract directly with another registered company licensed to perform the work. If you choose to contract directly with another registered company, Brezden Pest Control Inc. will not be responsible for any act or omission in the performance of work that you directly contract with another to perform.

Areas not inspected: Areas were found to be inaccessible for inspection. These included but are not limited to, stucco columns, plumbing access voids, areas concealed by plant growth, the areas inside finished walls and ceilings, areas behind and under cabinets, fixed furniture and appliances, areas under surface coverings, spaces between a floor or porch or deck and the ceiling or soffit below. We do not move furniture during our inspection. Routine inspection does not include opening windows, opening all exterior doors or inspecting interior of cabinets. Due to height and safety reason, surfaces higher than 10 feet from the ground level are visually inspected only. Surfaces above 10 feet are not picked or pry tested. Infestation, infection and conditions that may lead to the same may develop in areas where plumbing pipes and cold joints or cracks exist where concealed by concrete, walls, ceilings and insulation. This firm assumes no responsibility for infestation, infection, or conditions that may lead to the same, not evident or visible at the time of this inspection. Upon request and at an additional charge, Brezden Pest Control Inc. will perform further inspection to areas not inspected.

CAUTION: PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control companies are registered and regulated by the Structural Pest Control Board and apply pesticides which are registered and approved for use by the California Department of Pesticide Regulation and the United States Environmental Agency. Registration is granted when the state finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized. If within 24 hours following application you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center and your pest control operator immediately. For further information contact, any of the following: Brezden Pest Control 805-544-9446-Poison Control Center 800-662-9886-Structural Pest Control Board 916-263-2540-San Luis Obispo Co. Agricultural Commissioner 805-781-5910 and Health Dept. 805-781-5500-Santa Barbara Co. Agricultural Commissioner 805-681-5600 and Health Dept 805-681-5488-Monterey Co. Agricultural Commissioner 831-647-7629 and Health Dept. 831-647-7650

THIS IS A LIMITED REPORT REQUESTED BY THE ORDERING PARTY. THIS INSPECTION IS LIMITED TO THE EXTERIOR. WE RECOMMEND FURTHER INSPECTION OF THE ENTIRE STRUCTURE AND THAT ALL ACCESSIBLE EVIDENCE OF WOOD-DESTROYING PESTS BE REMOVED OR COVERED.

This is a Separated Report which is defined as Section 1/Section 2 conditions evident on the date of the inspection. Section 1 contains items where there is visible evidence of active infestation, infection or conditions that have resulted in or from infestation or infection. Section 2 items are conditions deemed likely to lead to infestation or infection but where no visible evidence of such was found. Further Inspection items are defined as recommendations to inspect area(s), which during the original inspection did not allow the inspector access to complete the inspection and cannot be defined as Section 1 or Section 2.

Description of Findings

SECTION: I

DRYWOOD TERMITES

Finding: 2A Drywood Termite infestation noted to the front porch framing and wall framing. Infestation extends into inaccessible wood members.

Recommendation: Vacate the premises for a minimum of 3 days and 2 nights. Fumigate with Vikane (Sulfuryl Fluoride). Chloropicrin will be used as a warning agent. Fumigation is guaranteed for a period of 2 years.

Price: \$5,306.00

Finding: 2B The recommendation below is a Secondary Recommendation to Recommendation 2a above.

Recommendation: Apply a chemical fence barrier to encompass the infestation(s). Remove or cover all accessible pellets and frass of wood-destroying pest(s) at area of treatment. This is a Secondary Local treatment and is not intended to be an entire structure treatment method. If infestations of wood-destroying pests extend or exist beyond the area(s) of local treatment, they may not be exterminated. No guarantee is given with this treatment. Material that may be applied: Premise 2 (Imidacloprid), Tim-bor (Disodium Octaborate Tetrahydrate), Invader HPX-20 (Propoxur), Termidor (Fipronil).

Price: \$1,100.00

FUNGUS/DRYROT

Finding: 3A Fungus damage and infection noted to the siding trim.

Recommendation: Remove and replace/resupport the damaged and infected portions of the wood members noted above.

Price: \$389.00

Finding: 3B Fungus damage and infection noted to the siding.

Recommendation: Remove and replace/resupport the damaged and infected portions of the wood members noted above.

Price: \$1,380.00

Finding: 3C Fungus damage and infection noted to the stringer, ledger, deckboards, deck facing and wall cap.

Recommendation: Remove and replace/resupport the damaged and infected portions of the wood members noted above.

Price: \$4,860.00

Finding: 3D Fungus damage and infection noted to the fascia.

Recommendation: Remove and replace/resupport the damaged and infected portions of the wood members noted above.

Price: \$1,050.00

SECTION: II

OTHER FINDINGS

Finding: 4A Earth wood contact(s) noted to front porch support post, pad and siding.

Recommendation: Lower earth to eliminate earth wood contact(s).
Price: No bid given

Section I Total: \$14,085.00

Section II Total: \$0.00

Grand Total: \$14,085.00

Important, Please Note

If this Inspection report or any subsequent report is used for escrow or legal purposes, there will be a \$125.00 minimum fee for additional paper work and/or documentations requested by the owner, agent, escrow officer, lender, or anyone else representing the owner for escrow or legal purposes.

OUR REPAIR POLICY: During the removal of damaged, infested, infected material(s) or scraping of wood members to remove Surface Fungus, areas will be exposed that were not visible and/or accessible during our Original inspection. If damage, infestation, infection, and/or conditions that may lead to same are found during the course of our repairs, that were not visible and/or accessible during our previous inspection(s), a Supplemental Report outlining our findings, recommendations and cost will be made at this time.

IMPORTANT, PLEASE NOTE:

1. When ordering work to be completed by Brezden Pest Control Inc., please order work a minimum of 15 working days prior to desired completion date. Bid prices are included in our "Work Authorization Agreement".
2. When a "Standard Notice of Work Completed and not Completed" is requested of Brezden Pest Control Inc, but the work or repairs is to be completed by others', Brezden Pest Control Inc. requires that our firm inspect the work by Others before the installation of new materials. The charge for each Re-inspection will not exceed the cost of the Original Report. If Brezden Pest Control Inc. inspects others work or repairs after new material(s) have been installed; Brezden Pest Control Inc. will not be responsible for any infestation, infection or damage concealed by others work or repairs. If on-sight consultation concerning this report is requested of Brezden Pest Control Inc., a minimum charge of \$78.00 will be assessed. Under no circumstances will Brezden Pest Control Inc. be responsible for the quality of work done by others.
3. Brezden Pest Control Inc. will not certify or guarantee chemical or fungicide applications performed by anyone other than a Brezden Pest Control Inc. employee.
4. The chalk markings made by our inspector during this inspection are intended to indicate the general location of the findings listed on this report. However, all infested or infected wood members may not be marked. Some findings may not be marked due to the surface or location of the finding.
5. The cost for repairs concerning this report do not include any city or county building permit(s) or engineering fees.
6. Our minimum job fee is \$78.00. If work ordered is less than this amount, the minimum job fee of \$78.00 will be charged. All debris generated from repairs and/or work completed by this company will be removed from the premises.
7. During the course of our work, material(s) will be removed with the intention of reinstalling these material(s). Brezden Pest Control Inc will exercise all due care to remove the material(s) in a manner that will allow us to reinstall these material(s). However, if the material(s) are damaged during their removal and/or cannot be reinstalled, a charge will be made for new material.

When applicable, one coat of prime paint will be applied to all new wood material. All repair work is guaranteed for a period of one year and material for a period of 90 days from the date of completion, unless otherwise stated. Fungicide that may be applied during our repairs: Timbor (active ingredient Disodium Octaborate Tetrahydrate).

WORK AUTHORIZATION AGREEMENT

BREZDEN PEST CONTROL INC.

3261 South Higuera, Ste. 100 - San Luis Obispo, Ca 93401
805-544-9446 - 800-464-9446 - fax: 805-544-2807

Info@brezdenpest.com - www.brezdenpest.com

Don't get the run around...



Have the "BREZ" around.

| | |
|---------------------------------------|--|
| Owner Bay Shore Village HOA | Job Address 155,157,159,161 Sandpiper Ln. Morro Bay, CA 93442 |
| Date of Inspection: 03/22/2005 | Company report #: 2485 |

PLEASE CIRCLE each Recommendation you want Brezden Pest Control to complete.

| Section 1 Findings | Section 2 Findings | Further Inspection |
|--|--------------------|--------------------|
| 2A \$5,306.00 2B \$1,100.00 3A \$389.00 3B \$1,380.00 3C \$4,860.00 3D \$1,050.00 | 4A NO BID | |

Note: Brezden Pest Control Inc. may not bid on all Findings in our report that require corrective work that will enable our firm to issue a Section 1 or 2 clearance. When corrective work is required and Brezden Pest Control Inc. does not provide a bid, it is the responsibility of the Owner/agent to contact the proper tradesman to make the corrective repairs and to contact our office for any needed Reinspection Report(s).

Section 1 Recommendation: Work recommended to repair damage caused by existing infestation of wood-destroying pests or organisms and all work recommended to correct conditions that caused such infestation or infections.

Section 2 Recommendations: Work recommended to correct conditions usually deemed likely to lead to infestation or infection of wood destroying pests or organisms, but where no evidence of active infestation or infection is found with respect to such conditions.

Further Inspection Recommendations: Further inspection items are defined as recommendations to inspect area(s), which during the original inspection did not allow the inspector access to complete his inspection and cannot be defined as Section 1 or Section 2.

Brezden Pest Control Inc. may withdraw this "Work Authorization Agreement" if not accepted within 120 days from the date of inspection.

Please sign, date and return/fax to our office. Thank you for this opportunity to be of service.

Owner or their Agent

Date

Brezden Pest Control Inc. representative

All (805) 544-9446
995-2117 773-5800

938-1213 528-6666
800-464-9446 in SLO county only

239-8400
fax 544-2807

466-9290 927-5100
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Thank you for considering our company for your pest control needs. Please read the following information and feel free to call our office with questions you may have.

Non-escrow instructions: Prior to the start of work, Brezden Pest Control Inc. requires a signed and dated copy of this Work Authorization Agreement and a minimum payment of 25% of the total cost amount if the amount is \$3000.00 or greater.

Escrow instructions: Prior to the start of work, Brezden Pest Control Inc. requires a signed and dated copy of this Work Authorization Agreement. Payments for services are due and payable upon notice of completion. It is understood that if the property is to fall out of escrow, payment for work completed becomes due and payable and the person(s) signature on this Work Authorization Agreement is responsible for payment.

Outstanding invoices are due and payable upon notice of completion. It is understood that service charges of 2% per month on the unpaid balance, or 20% per annum, will be charged on over due accounts and if suit is filed for collection of delinquent accounts the customer agrees to pay all litigation costs.

It is understood that these corrections are recommended on the basis of visibly determined surface examination. In the course of work being performed on the basis of this contract, conditions may be revealed which were not evident at the time of inspection. This contract is limited to that which was visible at the time of inspection and of that, only these paragraph(s) herein specified and contracted for. We assume no responsibility for concealed or inaccessible damage or infestation that was not observed by us without excavating or opening timbers, walls, floors, ceilings, moving furnishings, storage, etc. We shall not be liable for any damage resulting from probing, cutting, opening, removal, or otherwise, of timbers, walls, floors, ceiling or other parts of the building inspected. Our liability for damages because of errors or omissions in the inspection report shall be limited to the cost of the inspection and report. If additional work is to be required by the City or County Building Inspector, such work will not be performed under this contract. Brezden Pest Control, Inc., agrees to furnish all labor, materials, sub-contractors (if required) and compensation insurance to complete the repairs as accepted. Brezden Pest Control, Inc. agrees to use all due caution in the performance of our work, but in no way will be held responsible for damage to property, plants or animal life caused by the use of chemicals, gas or equipment in conjunction with these repairs, except through gross negligence on the part of the contractor. All effort will be taken to match new material to be installed with the same type of material removed. However, Brezden Pest Control Inc. does not guarantee new material will match the existing material. All wall, door and surface coverings (wall paper, paint stains, paint, etc.) are not included in our cost for repairs unless otherwise stated.

If the foregoing and the information given is in variance with the desires and instructions of any person or persons concerned with this report or fails to conform with known data, inform Brezden Pest Control, Inc., immediately, refraining from use of this report until a full understanding is reached.

NOTICE TO OWNER: Under the California Mechanics Lien Law any structural pest control company which contracts to do work for you, any contractor, subcontractor, laborer, supplier or other person who helps to improve your property, but is not paid for his or her work or supplies, has a right to enforce a claim against your property. This means that after a court hearing your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural pest control company in full if the subcontractor, laborers or supplier remain unpaid.

To preserve their right to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are required to provide you with a document entitled "Preliminary Notice." Prime contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.

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 Owner or their Agent



 Brezden Pest Control Inc. representative

 Date

**PLEASE SIGN AND
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