GAS SHUT-OFF DEVICE DISCLOSURE
Required by Contra Costa County Ordinance No. 2006-44

Re Property Address: ____________________________

On October 3, 2006, the Contra Costa County Board of Supervisors enacted a new Ordinance requiring installation of approved gas shut-off devices in all new buildings and in existing residential, commercial and industrial buildings prior to the sale of those buildings or when undertaking certain alterations or additions to those buildings located anywhere in the unincorporated areas of Contra Costa County if the building has a natural gas piping system. This law also applies to the sale of individual condominium units. The Ordinance was aimed at making buildings safer in case of a breakage or disconnection of a gas line caused by earthquakes, landslides or common household accidents. Some insurance companies provide discounts on their homeowner’s insurance coverage if such devices are in place.

This Ordinance does not contain any exceptions or exemptions for the type of sale (such as probate); Buyers and Sellers cannot agree to waive compliance with this Ordinance.

Under a recent agreement with the Contra Costa Association of Realtors, the County is now requiring that all residential property that closes escrow on or after January 2, 2007 and has fuel gas piping supplying the residence with gas, the following devices must be installed prior to the close of escrow:

1. An approved seismic gas shut-off device (motion sensitive) or an approved excess flow gas shut-off device (non-motion sensitive) shall be installed downstream of the gas utility meter at the beginning of each rigid gas piping system that serves the residence; and

2. An approved excess flow gas shut-off device (non-motion sensitive) shall be installed at each connection of a gas appliance to a gas line within the residence.

For a list of the approved gas shut-off valves, please visit the California Division of the State Architect website at http://www.dsa.dgs.ca.gov/gas_shutoff.htm.

NOTE: Real estate licensees cannot determine whether the property is in compliance with this Ordinance and have no liability for insuring that there is compliance with this Ordinance. Seller and Buyer should retain appropriate experts to investigate the existing gas lines to determine whether the required shut-off devices are in place. Buyer and Seller should reach a written agreement as to who is to pay for the inspection and/or the installation of any required devices since the Ordinance does not specify which Principal must be financially responsible.

THE UNDERSIGNED ACKNOWLEDGE RECEIPT OF THIS DISCLOSURE:

Date: ____________________________  Buyer: ____________________________

Date: ____________________________  Buyer: ____________________________

Date: ____________________________  Seller: ____________________________

Date: ____________________________  Seller: ____________________________

Rev. 12/13/06
GAS SHUT-OFF VALVE REQUIREMENTS

Contra Costa County Ordinance Code chapter 718-8 requires gas shut-off valves be installed downstream of the meter on designated buildings within the County. Gas shut-off valves are designed to automatically shut off the flow of natural gas to a building to prevent a fire or explosion due to accumulation of gas in the building in the event of a major earthquake.

The provisions of this Ordinance apply to:

1. All new buildings constructed after November 6, 2006.
2. When a building permit is issued after November 6, 2006 for construction work on an existing structure that involves gas piping and the value of construction is greater than $5,000.
3. When a building permit is issued after November 6, 2006 for construction work on an existing structure that does not involve gas piping and the value of construction is greater than $15,000.
4. All buildings sold in the County after January 2, 2007. Gas shut-off valves must be installed downstream of the meter and at the point of appliance prior to entering into an agreement for sale, or prior to close of escrow when an escrow agreement has been executed in connection with the sale.
5. Alterations or additions to the fuel gas piping system when involve the replacement of the gas meter.

Provisions of the ordinance allow for the installation the valves to an individual unit or tenant space in a condominium or commercial building when that unit is served by separate gas meters for buildings that are altered, added to or sold.

A plumbing permit from the Building Inspection Division is required for the installation. The cost of a plumbing permit is as follows:

- Unincorporated County and Clayton is $131.25
- Lafayette, Moraga and Orinda is $140.63

To request a permit application or schedule an inspection of installed valves, call (925) 646-4108.
APPROVED GAS SHUT-OFF VALVES

For a list of the approved gas shut-off valves, please see the California Division of the State Architect website at:

The Division of the State Architect (DSA) is certifying two different types of gas shut off valves for residential use: 1) earthquake sensitive gas shut off valves (ESV) and 2) excess flow automatic gas shut off valves (EFV). DSA derives its authority to certify these valves from the Health and Safety Code.

For questions regarding the state certification program for gas shutoff valves, contact Raghubir Gupta, (916) 322-0719, Raghubir.Gupta@dgs.ca.gov.

ANSWERS TO FREQUENTLY ASKED QUESTIONS

Q. Where can valves be purchased?
A. From retail plumbing suppliers, or the valve manufacturers listed on the California Division of the State Architect website.

Q. What if I buy a condominium in a building with multiple units?
A. The ordinances requires that all gas piping serving that unit be protected by a gas shut-off valve be installed prior to close of escrow when an escrow agreement has been executed in connection with the sale after January 2, 2007.

Q. What do I do if my building does not have a natural gas piping system?
A. This ordinance only applies to buildings with natural gas piping systems.

Q. My property went into escrow because of a refinance but there no change in ownership. Are gas shut-off valves still required?
A. No, they are not required, but you might like to have them installed for added protection in the event of an earthquake.
HIGH-SPEED RAIL DISCLOSURE

On November 5, 2008, California voters approved Proposition 1A authorizing funding of a high-speed rail transportation system linking various cities in the State. Both the location of the proposed system and the possible effect that the construction and operation of that system will have on residential areas has been the subject of concern and debate. Some news reports have indicated that, depending upon the location of the high-speed rail system, it may have a negative effect on some properties in the San Francisco Bay Area. It is anticipated that construction is likely to begin as early as 2011.

The California High-Speed Rail Authority ("Authority") is the state entity that is responsible for planning, constructing and operating that high-speed train system. The undersigned can obtain more information about the proposed high-speed rail system by contacting the Authority or by going online to: http://www.cahighspeedrail.ca.gov.

Precisely what impact, if any, the proposed high-speed rail transportation system will have on any given property is unknown either before, during or after construction. The construction and/or use of the transportation system may affect people differently. Real estate agents are not experts in this area and buyers are advised to satisfy themselves with regard to this issue during their inspection contingency period.

The undersigned acknowledge receipt of this disclosure.

Date: ____________________        Buyer: ________________________________

Date: ____________________        Buyer: ________________________________

Date: ____________________        Seller: ________________________________

Date: ____________________        Seller: ________________________________
LETTER TO HOMEOWNERS:

NEW DUCT SEALING REQUIREMENTS - YOU WILL BENEFIT

Beginning October 1, 2005, you must have your home's ducts tested for leaks when you have a central air conditioner or furnace installed or replaced. Ducts that leak 15 percent or more must be repaired to reduce the leaks. After your contractor tests and fixes the ducts, you choose whether to have an approved third-party field verifier check to make sure the duct testing and sealing was done properly or to have your house included in a random sample where one in seven duct systems are checked.

Duct sealing is not required in the following situations: 1) when homes are in specific coastal climates; 2) when systems have less than 40 feet of ductwork in unconditioned spaces like attics, garages, crawlspaces, basements or outside the building, or 3) when ducts are constructed, insulated or sealed with asbestos. There also are specific alternatives that allow high efficiency equipment and added duct insulation to be installed instead of fixing duct leaks.

You also should know that any contractor failing to obtain a required building permit and failing to test and repair your ducts is violating the law and exposing you to additional costs and liability. Real estate law requires you to disclose to potential buyers and appraisers whether or not you obtained required permits for work done on your house. If you do not obtain a permit, you may be required to bring your home into compliance with code requirements for that work and you may have to pay penalty permit fees and fines prior to selling your home.

The greatest energy use in California homes is for central air conditioning and heating. Most homes with central air conditioning and heating systems have ducts that were never properly sealed. The average home's ducts leak around 30 percent of the conditioned air outside the home. These leaks are taking money straight out of your pocketbook. Properly sealed ducts will lower your energy bills, reduce pollution inside your home, and help to avoid a repeat of the inconvenience and health and safety risks that we suffered during the power blackouts in 2000.

For more information, please contact the Energy Commission Efficiency Hotline at (800) 772-3300, or visit our website at www.energy.ca.gov/title24/changeout.

Date: August 2, 2005

JACKALYN PFANNENSTIEL
Vice Chair

ARThUR H. ROSENFIELD, Ph. D.
Commissioner
RECEIPT FOR ENERGY COMMISSION LETTER REGARDING NEW DUCT SEALING REQUIREMENTS

The undersigned Buyer(s) and Seller(s) acknowledge receipt of the attached letter dated August 2, 2005 from the California Energy Commission regarding the New Duct Sealing Requirements that became effective on October 1, 2005.

Depending upon certain conditions, if a central air conditioner or furnace was installed or replaced after October 1, 2005, the ducts must be tested for leakage. If the ducts leak 15% or more, then repairs must be made to seal the ducts. Additional testing may then be required to verify that the work was done properly. It is strongly recommended that all of this work be done by licensed contractors who should obtain all required permits.

These new duct sealing requirements may impact a Seller’s disclosure obligations and/or any negotiations between principals regarding replacing heating, ventilating and air conditions (HVAC) systems. These new requirements may increase the costs associated with replacing or installing an HVAC system.

Realtors do not have the requisite expertise to determine the need for testing or sealing ducts and will not verify the information provided about the condition of the HVAC system by others.

The undersigned acknowledge receipt of this disclosure and the attached letter.

Date: ___________________  Seller: __________________________________________

Date: ___________________  Seller: __________________________________________

Date: ___________________  Buyer: __________________________________________

Date: ___________________  Buyer: __________________________________________