

WOOD DESTROYING PESTS AND ORGANISM INSPECTION REPORT

Building No. 7121	Street Sheehan Court	City San Jose	ZIP 95120	Date of Inspection 2/10/2010	Number of Pages Page 1 of 7
-----------------------------	--------------------------------	-------------------------	---------------------	--	---------------------------------------



**510 Madera Ave
San Jose, CA 95112
(408) 993-1900 • Fax (408) 993-1944
Registration # PR1452**

HomeGuard Rpt #: **139089**

Ordered By: Steve Trotter Intero Real Estate 1900 Camden Avenue San Jose CA 95124	Property Owner/Party in Interest: Don Paul 7121 Sheehan Court San Jose, CA 95120	Report Sent to: Escrow#:
---	--	-------------------------------

COMPLETE REPORT
 LIMITED REPORT
 SUPPLEMENTAL REPORT
 REINSPECTION REPORT

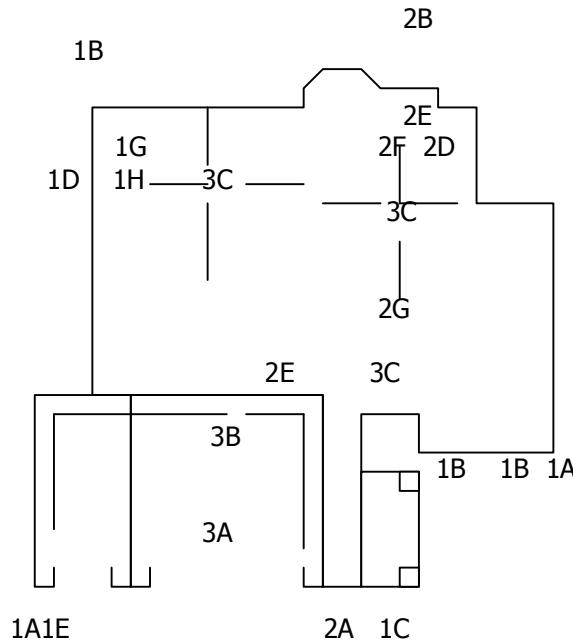
General Description: Two story single family wood framed residence with stucco exterior. Limited to the main structure only excluding the patio cover.	Inspection Tag Posted: Garage
	Other Tags Posted: None noted

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 to Items on diagram: [1] Section 1 Items [2] Section 2 Items [3] Unknown Further Inspection Items



FRONT
Diagram Not To Scale

Inspected by: **Randall A Lomeli**

License#: **FR29240**

Signature: _____

You are entitled to obtain copies of all reports and completion notices on this property filed with the board during the preceeding two years. To obtain copies contact: Structural Pest Control Board, 2005 Evergreen Street, Suite1500, Sacramento, California 95815-3831.

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)561-8700, (800) 737-8188 or www.pestboard.ca.gov.

Building No. 7121	Street Sheehan Court	City San Jose	ZIP 95120	Date of Inspection 2/10/2010	Number of Pages Page 2 of 7
-----------------------------	--------------------------------	-------------------------	---------------------	--	---------------------------------------

Section 1 Items

1A. FINDING: Fungus damage was noted to the barge rafter and fascia as indicated on the diagram. (See Picture 1)

RECOMMENDATION: Remove and replace the entire wood members to correct this condition. This bid includes replacement of the roof covering if disturbed by our repairs. If existing gutters need to be removed to perform the repairs then our bid also includes reinstallation of original gutters. If it becomes necessary or desirable to install new gutters this will be done only if authorized and at an additional cost. The guarantees on the roof covering are limited to the areas where the work was performed

***** (SECTION 1 ITEM) *****

1B. FINDING: The trim has been damaged by fungus at the front and rear window. (See Picture 2)

RECOMMENDATION: Remove and replace all the damaged wood members. If any damage is found to extend into any enclosed areas a supplemental report and bid will be issued.

***** (SECTION 1 ITEM) *****

1C. FINDING: Fungus damage was noted to the fascia as indicated on the diagram. (See Picture 3)

RECOMMENDATION: Remove and replace the damaged wood members to correct this condition. This bid includes replacement of the roof covering if disturbed by our repairs. If existing gutters need to be removed to perform the repairs then our bid also includes reinstallation of original gutters. If it becomes necessary or desirable to install new gutters this will be done only if authorized and at an additional cost. The guarantees on the roof covering are limited to the areas where the work was performed

***** (SECTION 1 ITEM) *****

1D. FINDING: Fungus damage was noted to the second story roof eaves as indicated on the diagram. (See Picture 4)

RECOMMENDATION: Remove and replace the damaged wood members to correct this condition. This bid includes replacement of the roof covering if disturbed by our repairs. If existing gutters need to be removed to perform the repairs then our bid also includes reinstallation of original gutters. If it becomes necessary or desirable to install new gutters this will be done only if authorized and at an additional cost. The guarantees on the roof covering are limited to the areas where the work was performed

***** (SECTION 1 ITEM) *****

1E. FINDING: The jamb and trim have been damaged by fungus at the main garage door. (See Picture 4)

RECOMMENDATION: Remove and replace all the damaged wood members. If any damage is found to extend into any enclosed areas a supplemental report and bid will be issued.

***** (SECTION 1 ITEM) *****

Building No. 7121	Street Sheehan Court	City San Jose	ZIP 95120	Date of Inspection 2/10/2010	Number of Pages Page 3 of 7
-----------------------------	--------------------------------	-------------------------	---------------------	--	---------------------------------------

1G. FINDING: Infestation by Drywood Termites was noted at the subarea. (See Picture 8)

RECOMMENDATION: Due to the nature of these infestations, it will be necessary to seal the entire structure and fumigate it with Vikane (sulfuryl fluoride), using Chloropicrin as a warning agent. The entire structure must be vacant for this process. It is the owners responsibility to make any preparations required by the fumigators or to have someone to do so at a separate expense and to have the gas turned back on when the fumigation is complete. Due to current Cal OSHA Safety Standards work above 7.5 feet demands fall protection, this requires the installation of anchor points at the roof ridge line. HomeGuard will repair any damage caused by the installation of the anchor. However, in the case of metal roof coverings it is the owners responsibility to make areas on the roof ridge accessible to secure the anchors. HomeGuard Incorporated guarantees all fumigations for a period of two years.

***** (SECTION 1 ITEM) *****

1H. FINDING: Drywood termite pellets were evident as noted in the above recommendation. (See Picture 8)

RECOMMENDATION: Remove and/or mask over all accessible termite pellets. It is possible for the Drywood Termite pellets to sift down or reappear in these areas where they have been masked over.

***** (SECTION 1 ITEM) *****

Section 2 Items

NOTE: Ceramic tiles were noted over the hall bathroom floor. There is no outward sign of infestation or infection however we cannot represent the condition of floors beneath the tiled areas.

2A. FINDING: The rain gutters and downspouts appear to be leaking and/or clogged.

RECOMMENDATION: Clean and/or repair the gutters or downspouts as necessary. As it is hard to estimate the amount of time to perform this repair it will be done on a time and material basis at 75.00 per man hour plus materials.

***** (SECTION 2 ITEM) *****

2C. FINDING: There is evidence of water leakage around the upstairs master bathroom glass stall shower enclosure.

RECOMMENDATION: Reseal this enclosure in the most practical way. With this type of enclosure, we cannot guarantee to completely stop the leakage, only to control it. It will be the owners responsibility to maintain this enclosure in a waterproof condition.

***** (SECTION 2 ITEM) *****

2D. FINDING: Some of the grout is loose or missing around the ceramic tile in the upstairs master bathroom tub, and cracked tiles were noted.

RECOMMENDATION: Reseal the area in the most practical way. Owner to maintain in a water tight condition.

***** (SECTION 2 ITEM) *****

2E. FINDING: The upstairs hall bathroom left side steel sink in the cracked and leaking.

RECOMMENDATION: Remove and replace the sink with a new stamped steel sink of like type and grade.

***** (SECTION 2 ITEM) *****

Building No. 7121	Street Sheehan Court	City San Jose	ZIP 95120	Date of Inspection 2/10/2010	Number of Pages Page 4 of 7
-----------------------------	--------------------------------	-------------------------	---------------------	--	---------------------------------------

2F. FINDING: The enclosure wiper seal in the master bathroom stall shower is leaking.
RECOMMENDATION: Replace the faulty wiper seal and adjust to eliminate the water leak.
***** (SECTION 2 ITEM) *****

2G. FINDING: The substructure area soil was damp.
RECOMMENDATION: The owner should engage the services of the appropriate tradesperson to check this condition and make any revisions deemed necessary.
***** (SECTION 2 ITEM) *****

Further Inspection Items

3A. FINDING: Water stains were noted on the ceiling in the garage. (See Picture 6)
RECOMMENDATION: Open this area to determine the source of these stains and if any damage exists. All findings, recommendations, and bids will be issued in a supplemental report.
***** (FURTHER INSP ITEM) *****

3B. FINDING: We were unable to inspect the interior of the garage due to stored personal property. (See Picture 7)
RECOMMENDATION: The owner should move the storage away from the garage walls to allow for further inspection. All findings, recommendations, and bids will be issued in a supplemental report.
***** (FURTHER INSP ITEM) *****

3C. FINDING: The subfloor was insulated. This conceals the wood members of the substructure. Further inspection recommended.
RECOMMENDATION: Remove the insulation from the perimeter of the structure and at all water pipe penetrations or from areas where fungus was noted, inspect the exposed wood members, and issue a supplemental report listing all findings, recommendations, and bids. Reinstall the insulation where removed upon completion.
***** (FURTHER INSP ITEM) *****

NOTE: "State law requires that you be given the following information:

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 Food and Agriculture and the United States Environmental Protection Agency. Registration is granted when the state finds that based on existing scientific evidence there are no appreciable risks that 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 company immediately."

For further information contact any of the following:
HOMEGUARD INCORPORATED (408) 993-1900
Poison Control Center: (800) 876-4766
Santa Clara County Agricultural Commission (408) 918-4600
Santa Clara County Health Department (408) 918-3400
San Benito County Health Department (831) 637-5367

Building No. 7121	Street Sheehan Court	City San Jose	ZIP 95120	Date of Inspection 2/10/2010	Number of Pages Page 5 of 7
-----------------------------	--------------------------------	-------------------------	---------------------	--	---------------------------------------

San Benito County Agricultural Commission (831) 637-5344
 Alameda County Agricultural Commission (510) 670-5232
 Alameda County Health Department (510) 267-8000
 Contra Costa County Agricultural Commission (925) 313-6712
 Contra Costa County Health Department (925) 646-5137
 San Mateo County Agricultural Commission (650) 363-4700
 San Mateo County Health Department (650) 573-2757
 Structural Pest Control Board (800) 737-8188
 2005 Evergreen Street Ste. #1500, Sacramento, CA 95815-3831

"Local treatment 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".

NOTE: Unless stated otherwise HomeGuard Incorporated bids include texturing and painting repaired areas. We will cover repaired sheetrock and wood with one (1) coat of white primer or (1) coat of color supplied by the owner. Any texturing will vary from original texture however we will match as close as possible. On exterior surfaces texturing and painting will only be done weather permitting.

NOTE: If damage is found to extend into any inaccessible areas, a supplemental report will be issued listing additional findings, recommendations and bids.

NOTE: Should the further inspection items noted in this report not be performed, HomeGuard Incorporated will assume no liability for any infestations or infection which may be concealed in these areas.

NOTE: HomeGuard Incorporated assumes no liability for, nor do we guarantee work done by others. All guarantees, warranties, and permits should be obtained from the parties performing the repairs.

NOTE: If any of the wood repairs outlined in the above report are done by others, an open inspection must be performed by this company if the appropriate certification is desired.

NOTE: Should the local building department require additional changes or repairs not outlined in this report, additional funds will be required.

NOTE: Thank you for using HomeGuard Incorporated. If you have any questions regarding this report, please call and ask for Randall Lomeli. Please bear in mind that the inspectors have full schedules during the day and can only be reached by phone early in the morning and late in the afternoon. The inspector will make every effort to make contact with you when he is available.

If you require further assistance or wish to schedule work as recommended in this report, please feel free to contact our office. We are here to assist you!

Report Pictures:

Pictures are provided to assist in clarifying some of the findings made in this report. No relative importance should be placed on these pictures. There are likely to be significant comments that do not have pictures associated with them. The pictures in this report do not illustrate all of the damage associated with a particular item. Please read the report thoroughly and contact the inspector if you have any specific questions.



Picture 1



Picture 2



Picture 3



Picture 4



Picture 6



Picture 7

Building No.	Street	City	ZIP	Date of Inspection	Number of Pages
7121	Sheehan Court	San Jose	95120	2/10/2010	Page 7 of 7



Picture 8

Fact Sheet for Vikane* (Sulfuryl Fluoride)

In the interest of DowElanco's commitment to product stewardship, this fact sheet is intended to provide basic information and how it is used. If you have additional questions about Vikane or the procedures described, call the DowElanco Customer Information Service at 1-800-352-6776.

WHY BUILDINGS ARE FUMIGATED

Insects that feed or tunnel into wood can seriously damage houses, apartments, and other dwellings or structures. Each year termites or other wood destroying insects damage approximately 2 million homes. Depending on the extent or location of the infestation, fumigation is the only total control method proven to eliminate certain infestation of wood destroying insects.

HOW BUILDINGS ARE FUMIGATED

Because Vikane is a gas, prior to fumigation the structure is completely sealed. This serves to contain Vikane in the building so it can penetrate wood thoroughly and eliminate the pests. Depending on the construction of the building, the doors and windows may be sealed with tape and a plastic sheet, or the structure may be covered with a tarp. The building will remain sealed for 4 to 72 hours depending on the specifics of the job. Warning signs are posted around the building notifying people to keep out.

After the tarp or tape is removed, a professional fumigator will aerate the structure by opening the doors and windows. Fans may also be used to clear out the building. Once the building has been thoroughly aerated, the fumigator is required to measure the level of any fumigant remaining in the living space to ensure it is below the established safe re-entry concentration. Your building should not be cleared for re-occupancy until it is safe to enter. The fumigator will post a notice on your building indicating the day and time for re-entry. Structures can be occupied only when the concentration is 5 parts per million or less (this represents a margin of safety – laboratory animals have been exposed to 100 parts per million for 2 weeks with no adverse effects). Because Vikane is a true gas and not a vapor, aeration is rapid. Recent studies demonstrated that in most structures levels are less than 1 part per million within 6 hours of clearing and have no detectable levels of Vikane within 24 hours after the start of aeration.

Sulfuryl Fluoride is a colorless, odorless gas, so a warning agent is added to the building, which causes watery eyes and a scratchy throat. If you experience these symptoms in a structure that has been recently fumigated, you should leave immediately and call the pest control company to have your building re-tested.

SULFURYL FLUORIDE (POTENTIAL HEALTH RISK FROM OVEREXPOSURE)

Sulfuryl Fluoride is a gas and can potentially enter your body through inhalation. Because it is a gas, it does not stay on dry surfaces; therefore, there is no exposure from touching treated surfaces

Nervous system and respiratory irritation:

Overexposure to high levels of Sulfuryl Fluoride can result in nose and throat irritation and nausea. At high concentrations (such as those used during the fumigation), can cause excess fluid in the lungs, sleepiness, pneumonia, and convulsions. These symptoms would be expected to appear within 8 hours after such as exposure. In the unlikely event you experience these symptoms in a building that has been recently fumigated, you should leave immediately. Consult your physician and call the pest control company to have your building re-tested.

Additional studies:

Sulfuryl Fluoride has not been shown to cause birth defects in pregnant animals exposed under experimental conditions. In addition, current studies have demonstrated there are no mutagenic or genotoxic effects caused by exposure to Sulfuryl Fluoride.

Safety Precautions and Homeowner Preparation

- Discuss the treatment program in advance with your pest control company so you fully understand what will be done and what you need to do.
- Carefully follow the instructions you are given about what items you are to remove from your building.
- If you are interested or concerned, you should ask your pest control company to show the records of how your building was aerated before it was cleared for re-entry.
- You may wish to increase ventilation by opening doors and windows.
- Call DowElanco Customer Information Service at 1-800-352-6776 if you need additional information or have questions concerning the product.

*Trademark of DowElanco



510 Madera Ave
 San Jose, CA 95112
 (408) 993-1900
 Fax (408) 280-2763

Initials _____

AGREEMENT
 7121 Sheehan Court, San Jose

HomeGuard Incorporated is authorized to proceed with the work outlined in items _____ of their termite report no. 139089 for the property located at 7121 Sheehan Court, San Jose for a total sum of \$_____. This amount will be due and payable upon completion of work. It is understood that the contract price does not include the charge of the structural pest control inspection report or re-inspection fees.

HOMEGUARD INCORPORATED AGREES

- To guarantee all repairs completed by this company for one year from the date of completion except for plumbing, grouting, caulking, and resetting of toilets, which will be guaranteed for 30 days.
- To be bound to perform this work for the price quoted in our cost breakdown for a period not to exceed 30 days
- To use reasonable care in the performance of our work but to assume no responsibility for damage to any hidden pipes, wiring, or other facilities or to any, plant life, rain gutters, roofs; nor for damage or dirtying of stucco, plaster, paint, wall paper or other "finish-work" adjacent to areas where work is performed.
- To replace damaged wood members with material which resembles, as closely as possible, the existing wood members with standard grade, readily available wood members.

OWNER OR OWNER'S AGENT AGREES:

- To pay for services rendered upon completion of work. This contract may canceled at any time by the customer. In the event of such action, customer agrees to pay HomeGuard Incorporated in full for any work already performed and the cost of materials and permits, plus 15% of the total contract price to cover job set up and administration expenses. In the case of non-payment by owner, reasonable attorney fees and costs of collection shall be paid by the owner whether suit be filed or not.
- To pay for service charge of 1.5 percent per month or portion of any month beyond 30 days after completion.
- Owner grants HomeGuard Incorporated, a security interest in the above described real property to secure payment of the sum for work and inspection fee completed.
- If additional damage is discovered by HomeGuard Incorporated, during the performance of work, company agrees to notify owner or agent of the amount of the damage and the cost of additional work to be done. This work will not be performed unless owner agrees.
- If any additional work, plans or engineering is deemed necessary by the local building inspector, said work will not be performed without additional authorization from owner or owner's agent.
- All plumbing repairs bid in this report are for only the specific repair that is identified. Many times when performing plumbing repairs it becomes necessary to repair or replace adjacent plumbing because of the age or fragility of these components. When this happens the owner or agent will be notified and said repairs will require additional cost and authorization.

This job has been bid as if all section one items are being performed. If the owner would like to select individual items, it may require HomeGuard Incorporated to provide a new bid for these items. The minimum service charge is \$225 regardless of the bid on the individual item.

Section 1:

1A	\$1,650	1B	\$350	1C	\$550	1D	\$750	1E	\$550	1G	\$3,110	1H	\$125
----	---------	----	-------	----	-------	----	-------	----	-------	----	---------	----	-------

Total \$7,085

Section 2:

2A	T&M	2C	\$125	2D	\$150	2E	\$375	2F	\$100	2G	Owner
----	-----	----	-------	----	-------	----	-------	----	-------	----	-------

Further Insp:

3A	\$225	3B	N/C	3C	\$350	Total	\$575
----	-------	----	-----	----	-------	--------------	--------------

IS UPGRADING OR CHOICE OF LINOLEUM OR TILE DESIRED? Yes___ No___

***If there is no choice, neutral colors will be installed there may be additional charges for special materials chosen**



510 Madera Ave
San Jose, CA 95112
(408) 993-1900
Fax (408) 280-2763

AGREEMENT
7121 Sheehan Court, San Jose

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 HomeGuard Incorporated'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, HomeGuard Incorporated will not in any way be responsible for any act or omission in the performance of work that you directly contract with another to perform.

NOTICE TO OWNER

Under the California Mechanics Lien law, any structural pest control operator who 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 work or supplies, has the 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 contractor in full if the subcontractor, laborers of suppliers remain unpaid. To preserve their right to file a claim of lien against your property, certain claimants such as subcontractors and material suppliers are required to provide you with a document intitled "Preliminary Notice". General 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 lein against your property if they are not paid. You can protect yourself from such claim by requiring your contractor to supply you with a payment and performance bond prior to commencing any work of improvement and/or requiring your contractor to provide you with an unconditional lien release signed by each material supplier, subcontractor, and laborer involved in that project phase before making payment on the completed phase of the project.

OWNER OR OWNERS AGENT **DATE** **BY:** _____, HomeGuard Incorporated

X _____ **ESCROW OFFICER:** _____

Print Name _____ **ESCROW PHONE NO:** _____

X _____ **ESCROW CO/NO:** _____

Print Name _____

Name of person providing access _____ Phone Number _____

THIS AGREEMENT IS 2 PAGES
PLEASE BE SURE TO SIGN AND SEND BOTH PAGES



510 Madera Ave
San Jose, CA 95112
(408) 993-1900
Fax (408) 993-1944

Invoice

Invoice Date: **2/10/2010**

Invoice No: **SJ266664T**

Bill To:

Don Paul
7121 Sheehan Court
San Jose, CA 95120

Property Information:

Address: **7121 Sheehan Court**
San Jose CA, 95120
Report No. **139089TPR**
Escrow#:

Billing Information:

Inspection: **2/10/2010 Complete** **\$295.00**

Notice of Completion: **\$0.00**

Other: **\$0.00**

Total Due: **\$295.00**

DUE UPON RECEIPT
PLEASE REMIT