

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

Rating No. 704	Street Hillsdale	City San Jose	Zip 95124	Date of Inspection 8/19/2005	Number of Pages 3
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Dennis' Termites
439 E. McGlincey Ln. Suite A
Campbell CA 95008
 Tel 408-626-PEST(7378) Fax 408-626-7393

Report #: 05-1312
 Registration #: PZ2562
 Escrow #: 4079-MA

Inspected by: Donna Montana Residence Realty 184 Lincoln Ave. San Jose CA 95125	Property Owner and/or Party of Interest: Ricky Arrighi 1704 Hillsdale San Jose CA 95124	Report sent to: Old Republic Title 750 N. Capitol Ave. San Jose, CA 95133
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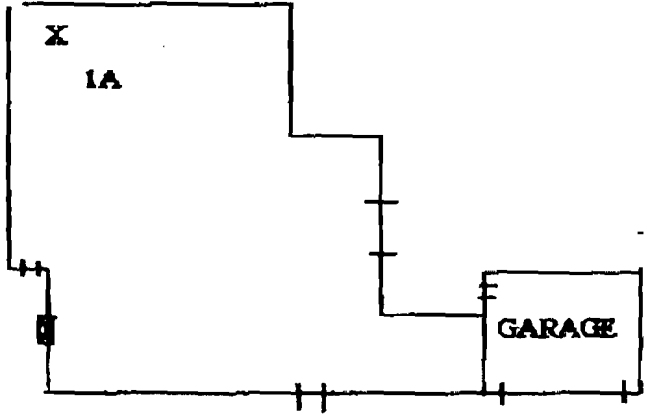
COMPLETE REPORT LIMITED REPORT SUPPLEMENTAL REPORT REINSPECTION REPORT

GENERAL DESCRIPTION: ONE STORY RESIDENCE CLEAR REPORT-	Inspection Type Permitted: SUBAREA
	Other Type Permitted: NONE NOTICED

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.

Diagram Not To Scale



Handwritten signatures and initials.

Front

Inspected By: Dennis F. Williams State License No. OPR9188 Signature: [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.nestboard.ca.gov. 43M-41 (Rev. 10/01)

Dennis' Termites

Page 2 of inspection report

1704	Hillsdale	San Jose	CA	95124
Address of Property Inspected		City	State	Zip
	8/19/05	05-1312	4079-MA	
Stamp No.	Date of Inspection	Co. Report No.	Escrow No.	

WHAT IS A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT? READ THIS DOCUMENT. IT EXPLAINS THE SCOPE AND LIMITATIONS OF A STRUCTURAL PEST CONTROL INSPECTION AND A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT.

A Wood Destroying Pest & Organism Inspection Report contains findings as to the presence or absence of evidence of wood destroying pests and organisms in visible and accessible areas and contains recommendations for correcting any infestations or infections found. The contents of Wood Destroying Pest & Organism Inspection Reports are governed by the Structural Pest Control Act and regulations.

Some structures do not comply with building code requirements or may have structural, plumbing, electrical, mechanical, heating, air conditioning or other defects that do not pertain to wood destroying organisms. A Wood Destroying Pest & Organism Inspection Report does not contain information on such defects, if any, as they are not within the scope of the licenses of either this company, or it's employees.

The Structural Pest Control Act requires inspection of only those areas which are visible and accessible at the time of inspection. Some areas of the structure are not accessible to inspection, such as the interior of hollow walls, spaces between floors, areas concealed by carpeting, appliances, furniture or cabinets. Infestations or infections may be active in these areas without visible and accessible evidence. If you desire information about areas that were not inspected, a further inspection may be performed at an additional cost. Carpets, furniture or appliances are not moved and windows are not opened during a routine inspection.

The exterior Surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractor's State License Board.

This company does not certify or guarantee against any leakage, such as (but not limited to) plumbing, appliances, walls, doors, windows, any type of seepage, roof or deck coverings. This company renders no guarantee, whatsoever, against any infection, infestation or any other adverse condition which may exist in such areas or may become visibly evident in such area after this date. Upon request, further inspection of these areas would be performed at an additional charge.

In the event damage or infestation described herein is later found to extend further than anticipated, our bid will not include such repairs. **OWNER SHOULD BE AWARE OF THIS CLOSED BID WHEN CONTRACTING WITH OTHERS OR UNDERTAKING THE WORK HIMSELF/HERSELF.**

If requested by the person ordering this report, a re-inspection of the structure will be performed. Such requests must be within four (4) months of the date of this inspection. Every re-inspection fee amount shall not exceed the original inspection fee.

Wall paper, stain, or interior painting are excluded from our contract. New wood exposed to the weather will be prime painted, only upon request at an additional expense.

All pesticides and fungicides must be applied by a state certified applicator (sec. 8555 Business and Professions Code Division 3) and in accordance with the manufacturer's label requirements.

"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."

This Wood Destroying Pest & Organisms Report DOES NOT INCLUDE MOLD or any mold like conditions. No reference will be made to mold or mold-like conditions. 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.

Dennis' Termites

Page 3 of 3 of Standard Inspection Report

1704	Hillsdale	San Jose	CA	95124
Address of Property Inspected		City	State	Zip
Stamp No.	8/19/05	05-1312	4079-MA	
	Date of Inspection	Co. Report No.	Escrow No.	

SECTION I CONTAINS ITEMS WHERE THERE IS EVIDENCE OF ACTIVE INFESTATION, INFECTION OR CONDITIONS THAT HAVE RESULTED IN OR FROM INFESTATION OR INFECTION.

SECTION II 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 HIS INSPECTION AND CANNOT BE DEFINED AS SECTION I OR II.

1. SUBSTRUCTURE AREA:

01A - FINDING - Tub drain assembly leaks slightly.

RECOMMENDATION - Interested parties have this corrected if desired. SECTION 2

01B - FINDING - Cellulose debris noted in the subarea.

RECOMMENDATION - Remove all cellulose debris of a size that can be raked (or larger). SECTION 2

01C - FINDING - Stall shower was water tested. No leaks this day. Just old stains noted. SECTION 2

01D - FINDING - Minor faulty grade noted. No problems found. SECTION 2

8. GARAGES:

08A - FINDING - Garage inspected as practical this day due to storage. SECTION 2

- MOLD POLICY STATEMENT: Molds, sometimes called mildew, are not wood destroying organisms. Branch 3 licenses do not have a duty under Structural Pest Control Act and related regulations to classify molds as harmful to human health or not harmful to human health. This does not modify the Structural Pest Control Act or related regulations.

- This is to certify that the above property was inspected on this date in accordance with the Structural Pest Control Act and the rules and regulations, adopted pursuant thereto, and no visible evidence of active infestation or infection was found in visible and/or accessible areas.



Dennis' Termites
439 E. McGillicoy Ln. Suite A
Campbell CA 95008
Tel 408-626-PEST(7378) Fax 408-626-7383

AGREEMENT

work will be performed until a signed copy of this agreement has been received.

Address of Property: 1704 Hillsdale
San Jose
City: San Jose
State/Zip: CA 95124

A inspection report of the company dated, 8/19/05 is incorporated herein by reference as though fully set forth.

The company is authorized to proceed with the work outlined in the items circled below from the Termite Inspection Report for the property inspected, for a total sum of \$ _____ . This total amount is due and payable within Ten (10) days from completion repair work and/or chemical application.

THE COMPANY AGREES

We guarantee all repair completed by this company for one year from date of completion except for caulking, grouting or plumbing, which is guaranteed for a period of ninety (90) days. We assume no responsibility for work performed by others, 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 shrubs, plants or roof.

THE OWNER OR OWNER'S AGENT AGREES

I agree to pay for services rendered in any additional services requested upon completion of work to pay a service charge of one and one-half percent (1 1/2%) interest per month, or portion of any month, annual interest rate of eighteen percent (18%) on accounts exceeding the ten (10) day full payment schedule. The Owner grants to The Company a security interest in the property to secure payment sum for work and inspection fee completed. In case of non-payment by The Owner, reasonable attorney fees and costs of collection shall be paid by owner, whether suit be filed or not.

ALL PARTIES AGREE

Any additional work is deemed necessary by the local building inspector, said work will not be performed without additional authorization from owner or owner's agent. This contract price does not include the charge of any inspection Report fees. Circle the items you wish performed by The Company, below and enter total amount above:

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, laborer 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.

ITEMS

Prefix	Section 1	Section 2
01A		INFORMATION/OTHERS
01B		INFORMATION
01C		INFORMATION
01D		INFORMATION
08A		INFORMATION

Total: _____ Grand: _____

Property Owner: _____ Date: _____ Inspected By: _____ Date: _____

Owner's Agent: _____ Date: _____