



Dear HomeGuard customer,

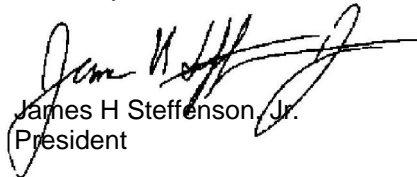
Thank you for selecting HomeGuard Incorporated to perform the termite inspection on your home.

It is very common for corrective work to be recommended. Enclosed you will find the inspection report that includes the findings, repair recommendations and prices to complete the repairs. Now that you have allowed us to do the inspection, we would like to point out the advantages of authorizing HomeGuard Incorporated to complete the recommended repairs.

- When HomeGuard completes the repairs, there are no additional reinspection costs. Only a licensed structural pest control company can issue a **certification** that the property is free and clear of active infestations or infection.
- HomeGuard Incorporated's bids are competitive with professional companies and all of our work is guaranteed.
- HomeGuard Incorporated's repair technicians are experts and we guarantee high quality repairs.
- HomeGuard Incorporated is sensitive to the special demands on you when a real estate transactions is involved. We make scheduling easy. We work with your Realtor, lender and title company to expedite all required paperwork.
- With HomeGuard Incorporated, you are protected. Unlike many contractors or handymen, we maintain liability insurance, errors and omissions insurance, and workman's compensation; thereby protecting you from potential lawsuits.

Please review the enclosed inspection and bids. We are available to discuss the findings and recommendations with you at your convenience. Satisfying your structural pest control needs in a professional and affordable manner is what separates HomeGuard Incorporated from the competition.

Sincerely Yours,



James H Steffenson, Jr.
President

WOOD DESTROYING PESTS AND ORGANISM INSPECTION REPORT

Building No. 800	Street Virginia Court	City Campbell	ZIP 95008	Date of Inspection 3/31/2010	Number of Pages Page 1 of 5
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**510 Madera Ave
San Jose, CA 95112
(408) 993-1900 • Fax (408) 993-1944
Registration # PR1452**

HomeGuard Rpt #: **140561**

Ordered By: Holly Barr Intero Real Estate Services 1567 Meridian Avenue San Jose CA 95125	Property Owner/Party in Interest: Kathleen Exum 800 Virginia Court Campbell, CA 95008	Report Sent to: Escrow#: Dayna Santos Chicago Title 1374 E. Hamilton Avenue Campbell, CA. 95008
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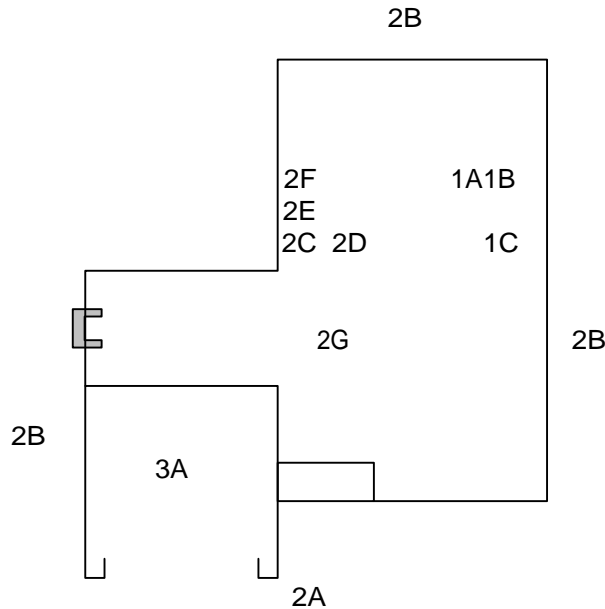
COMPLETE REPORT <input checked="" type="checkbox"/>	LIMITED REPORT <input type="checkbox"/>	SUPPLEMENTAL REPORT <input type="checkbox"/>	REINSPECTION REPORT <input type="checkbox"/>
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General Description: One story, single family wood framed residence with wood exterior.	Inspection Tag Posted: Garage Other Tags Posted: None noted
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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 <input type="checkbox"/>	Drywood Termites <input checked="" type="checkbox"/>	Fungus / DryRot <input checked="" type="checkbox"/>	Other Findings <input checked="" type="checkbox"/>	Further Inspection <input checked="" type="checkbox"/>
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: **Andrew m Ries**

License#: **FR40213**

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.

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AREAS NOT INSPECTED PLEASE READ

We did not inspect the interior of finished walls or behind installed finished cabinet work. Our inspection does not include any electric, heating, or mechanical systems of the structure. We did not inspect the roof covering for leakage. Our inspection will not detect any building code violations. If any information is desired about any of these areas, a company who makes home inspections should be engaged. The plumbing was inspected, and only the leaks outlined in our report were found at this time. We assume no responsibility for leaks that occur after the date of inspection. There may be health related issues associated with the findings reflected in this report. We are not qualified to and do not render an opinion concerning any such health issues. The inspection reflected by this report was limited to the visible and accessible areas only. Questions concerning health related issues, which may be associated with the findings or recommendations reflected in this report, the presence of mold, the release of mold spores or concerning indoor air quality should be directed to a Certified Industrial Hygienist. The area of the foundation concealed behind the stucco, brick or rock wall covering was inaccessible for inspection. There is no evidence of any infestations in this area; however, this could possibly conceal termite entry points. The inaccessible areas listed above which were not inspected will be inspected upon the owner's request and may be conditional to additional inspection fees.

"This company will reinspect repairs done by others within four months of the original inspection. A charge, if any, can be no greater than the original inspection fee for each reinspection. The reinspection must be done within ten (10) working days of request. The reinspection is a visual inspection and if inspection of concealed areas is desired, inspection of work in progress will be necessary. Any guarantees must be received from parties performing repairs."

NOTE: Work performed by others will be reinspected for a fee of \$175.00 for each trip out to the property. Open wall and open floor inspections are desirable if certification is required.

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 differ from company to company. You have the right to seek a second opinion from another company.

NOTE: WE GUARANTEE ALL REPAIRS DONE BY THIS COMPANY FOR ONE YEAR AND FUMIGATIONS FOR A PERIOD OF 2 YEARS FROM THE DATE OF COMPLETION. WITH THE EXCEPTION OF PLUMBING, GROUTING, CAULKING AND RE-SETTING OF TOILETS WHICH ARE GUARANTEED FOR 30 DAYS FROM THE DATE OF COMPLETION. WE CANNOT GUARANTEE WORK DONE BY THE OWNER OR OWNER'S AGENT. WE MAKE NO GUARANTEE AGAINST FUTURE INFECTIONS, ADVERSE CONDITIONS, OR CONDITIONS PRESENT BUT NOT EVIDENT AT THE TIME OF OUR INSPECTION.

NOTE: THIS IS A SEPARATED REPORT WHICH IS DEFINED AS SECTION I AND SECTION II CONDITIONS EVIDENT ON THE DATE OF INSPECTION. 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 SECTION II.

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2E. FINDING: Some of the grout is loose or missing around the ceramic tile on the hall bathroom tub walls.

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

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

2F. FINDING: The enclosure wiper seal in the master bathroom is faulty.

RECOMMENDATION: Replace the faulty wiper seal and adjust to eliminate the water leak.

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

2G. FINDING: There is a plumbing leak at the supply line.

RECOMMENDATION: Reseal or repair this leak in the most practical way.

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

Further Inspection Items

3A. FINDING: We were unable to inspect the interior of the garage due to stored personal property.

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) *****

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
- 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

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"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. All painting will be on the area repaired only feathering the paint in to blend with existing. On exterior surfaces texturing and painting will only be done weather permitting.

NOTE: Unless prior arrangements have been made, white tile will be installed. It should also be noted that all tile work, regardless of color selection, will be done with a tight white grout joint.

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: Thank you for using HomeGuard Incorporated. If you have any questions regarding this report, please call and ask for Andrew Ries. 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!



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

Initials _____

Page 1 of 2

AGREEMENT
 800 Virginia Court, Campbell

HomeGuard Incorporated is authorized to proceed with the work outlined in items _____ of their termite report no. 140561 for the property located at 800 Virginia Court, Campbell 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:

1. 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.
2. To be bound to perform this work for the price quoted in our cost breakdown for a period not to exceed 30 days.
3. 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.
4. 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:

1. To pay for services rendered upon completion of work. This contract may be canceled at any time by the customer. In the event of such action, customer agrees to pay HomeGuard Incorporated in full for all items already completed, and time and material for all items only partially completed. Time and material is calculated at the rate of ninety-five dollars per hour and the cost of materials plus 15%. The customer also agrees that in the case of cancelation of the contract, to pay all fees for necessary permits and any associated cost for obtaining permits. 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.
2. To pay for service charge of 1.5 percent per month or portion of any month beyond 30 days after completion.
3. 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.
4. 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.
5. 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.
6. 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 WillBid 1B \$250 1C WillBid

Section 2:

2A \$250 2B \$350 2C Owner 2D Owner 2E \$100 2F \$100 2G \$300

Further Insp:

3A N/C

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**



AGREEMENT
800 Virginia Court, Campbell

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***



Invoice

Invoice Date: **4/1/2010**
 Invoice No: **SJ270382T**

Bill To:	
Dayna Santos Chicago Title 1374 E. Hamilton Avenue Campbell, CA. 95008	
Property Information:	
Address:	800 Virginia Court Campbell CA, 95008
Report No.	140561TPR
Escrow#:	
Billing Information:	
Inspection: 3/31/2010 Complete	\$205.00
Notice of Completion:	\$0.00
Other:	\$0.00
Total Due:	\$205.00

PAID
DO NOT REMIT

DUE UPON RECEIPT
 Please remit to 510 Madera Ave., San Jose, CA 95112
There is a \$25 fee for all returned checks