

WOOD DESTROYING PESTS AND ORGANISM INSPECTION REPORT

Building No. 442	Street Gosser Street	City Milpitas	ZIP 95035	Date of Inspection 11/12/2008	Number of Pages Page 1 of 6
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**510 Madera Ave
San Jose, CA 95112
• Fax (408) 993-1944
Registration # PR1452**

HomeGuard Rpt #: **128303**

Ordered By: Jeffrey Lee Silicon Valley Associates Inc. 1590 The Alameda #110 San Jose CA 95126	Property Owner/Party in Interest	Report Sent to: Escrow#:
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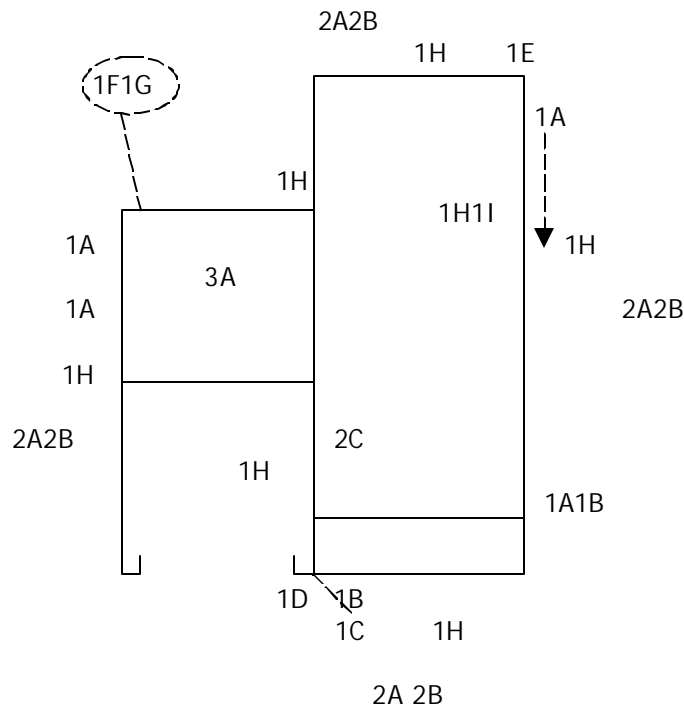
COMPLETE REPORT <input checked="" type="checkbox"/>	LIMITED REPORT <input type="checkbox"/>	SUPPLEMENTAL REPORT <input type="checkbox"/>	REINSPECTION REPORT <input type="checkbox"/>
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General Description: One story, single family wood framed residence with stucco and wood exterior.	Inspection Tag Posted Garage Other Tags Posted Able 9/10/08
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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 checked="" 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



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 preceding 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

This report is an inspection for wood destroying pests and organisms to a furnished, occupied structure. Some areas of the structure were inaccessible for inspection due to furnishings, appliances, floor covering, and/or stored personal property. We did not inspect areas immediately under furnishings or appliances, nor did we inspect inside finished walls or ceilings. Our inspection does not include any electric, heating, or mechanical systems of the structure. Our inspection will not detect building code violations. If any information is desired about any areas mentioned, a company which makes home inspections should be engaged. The plumbing was inspected and only the leaks outlined in our report were found at this time; however, we assume no responsibility for leaks that occur after the date of this 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 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 \$125.00 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 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.

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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.

Section 1 Items

1A. FINDING: Fungus damage was noted to the rafters as indicated on the diagram.

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. The guarantees on the roof covering are limited to the areas where work was performed. It will be the owner's responsibility to reinstall the gutters upon completion of our roof repairs if necessary.

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

1C. FINDING: The siding has been damaged by fungus at the front.

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) *****

1D. FINDING: The trim has been damaged by fungus at the front.

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) *****

1E. FINDING: Fungus damage was noted to the barge rafter as indicated on the diagram.

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. The guarantees on the roof covering are limited to the areas where the work was performed. It will be the owners responsibility to reinstall the gutters upon completion of our roof repairs if necessary.

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

1F. FINDING: Infestation by Drywood Termites was noted at the left rear.

RECOMMENDATION: Treat the infested areas with the registered termiticide CY-KICK (Cyfluthrin) NOTE: As Drywood termites are a non-earth dwelling species, guarantees are limited to treated wood members only. NOTE: In order to perform this treatment the property will need to be vacated during and 3 hours after the treatment is performed.

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

1G. FINDING: Drywood termite pellets were evident as noted in the above recommendation.

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) *****

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1H. FINDING: Subterranean Termites were noted at the subarea.

RECOMMENDATION: Chemically treat the soil at probable termite entry points in this area only for the control of Subterranean Termites with Termidor SC(Fipronil:5-amino-1-(2,6-dichloro-4-(trifluoromethyl) peryl)-4-((1,8,5)-trifluoromethyl)sulfinyl)-1-H-pyrazole-3-carbonitrile. In conventional construction, this may include, rodding or trenching the soil around the foundation walls, piers, and plumbing pipes in the subarea, rodding or trenching the soil around the exterior foundation, drilling attached slabs (or blacktop's) such as patios, porches, sidewalks, or driveways that abut the structure. A ground stop device will be used to hopefully prevent drilling into concealed pipes, conduit or electrical wiring however if this happens it will be the owners responsibility and cost to repair any damage done. The holes drilled into any concrete slab, while performing the treatments, will be plugged with mortar. It will be the owners responsibility to have these areas repaired to match the existing surfaces as desired. NOTE: In order to perform this treatment the property will need to be vacated for the period during and 3 hours after the treatment is performed.
***** (SECTION 1 ITEM) *****

1I. FINDING: The glass enclosure in the bathroom is leaking and is not suitable for reinstallation.

RECOMMENDATION: Supply and install a new safety glass enclosure.
***** (SECTION 2 ITEM) *****

Section 2 Items

2A. FINDING: Minor stress cracks were noted in the exterior stucco as indicated on the diagram.

RECOMMENDATION: The owner is to seal these areas and maintain the exterior paint.
***** (SECTION 2 ITEM) *****

2B. FINDING: This home was constructed without the use of a weep screed at the base of the stucco. Although this was an accepted construction method it does create an area that can allow subterranean termites to access the home without being detected. This area can also allow condensation to build up and not drain properly.

RECOMMENDATION: There is no evidence of any adverse condition at this time however if further information is desired it will be necessary to install a series of test holes to allow for further inspection. All findings recommendations and bids will be issued in a supplemental report.
***** (SECTION 2 ITEM) *****

2C. FINDING: There is a plumbing leak at the kitchen faucet.

RECOMMENDATION: Reseal or repair this leak in the most practical way.
***** (SECTION 2 ITEM) *****

NOTE: This property has recently been painted. We assume no responsibility for any infestations or infections that may be concealed by this fresh paint.

NOTE: HomeGuard Incorporated does no texturing, painting, or wall papering. However, we will cover exterior wood work with one (1) coat of white primer 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.

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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: Due to the building materials used on this structure, it may be difficult to match the existing mill patterns and materials used in the original construction. We will replace damaged wood members with material which resembles, as closely as possible, the existing wood members with standard grade, readily available wood members.

NOTE: 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 CONTRACTORS STATE LICENSE BOARD.

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 Pesticide Regulations 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." In the case of fumigation if within 24 hours you experience symptoms of dizziness, headache, nausea, reduced awareness, slowed movement, garbled speech or difficulty in breathing, leave the structure immediately and seek medical attention by contacting your physician or Poison Control Center and notify your Pest Control Company. The warning agent, chloropicrin can cause symptoms of tearing, respiratory distress and vomiting. Entry into the space during fumigation can be fatal.

NOTE: 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) 885-4214
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) 646-5250
Contra Costa County Health Department (925) 313-6712
San Mateo County Agricultural Commission (650) 363-4700
San Mateo County Health Department (650) 573-2346
San Joaquin County Agriculture Commission (209) 468-3300
San Joaquin County Environmental Health Department (209) 468-3420

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Structural Pest Control Board (800) 737-8188
2005 Evergreen Street Suite 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: 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
 Fax (408) 280-2763

Initials _____

AGREEMENT
 442 Gosser Street, Milpitas

HomeGuard Incorporated is authorized to proceed with the work outlined in items _____ of their termite report no. 128303 for the property located at 442 Gosser Street, Milpitas 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.

HOME GUARD 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 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.
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	\$1,000	1C	\$400	1D	\$200	1E	\$480	1F	\$1,050	1G	\$250	1H	\$2,350
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Total \$5,730

Section 2

1I	\$200	2A	Owner	2B	WillBid	2C	\$350
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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
 Fax (408) 280-2763

AGREEMENT
 442 Gosser Street, Milpitas

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 or 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
Fax (408) 993-1944

Invoice

Invoice Date: **11/13/2008**
Invoice No: **SJ238202T**

Bill To: Jeffrey Lee Silicon Valley Associates Inc. 1590 The Alameda #110 San Jose CA 95126	
Property Information: Address: 442 Gosser Street Milpitas CA, 95035 Report No. 128303TPR Escrow#:	
Billing Information:	
Inspection 11/12/2008 Complete	\$210.00
Notice of Completion:	\$0.00
Other:	\$0.00
Total Due:	\$210.00

**DUE UPON RECEIPT
PLEASE REMIT**