

Home Inspector 4

Crawl Space - Structural Defects, Insulation Defects and other fraudulent Omissions

This image shows the center pier and post in the crawl space. The “high water line” (1), was/is from long term flooding many years or decades prior to this transaction. The Plywood lift (2) and support jacks (3) were installed after close of escrow to properly support the home.



According to Vierras, they did a post and pier inspection and --->>> “There were no visible or significant issues visible to the concrete support piers or wood posts”

17. Pier Type and Condition

Concrete piers and posts

There were no visible or significant issues visible to the concrete support piers or wood posts in the sub-structure.

This inspection in no way is meant to evaluate the integrity of the structure. For a detailed evaluation of the structure, we recommend you contact an appropriate structure/soils specialist.

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Crawl Space Structural and Insulation Defects - \$4,358 for structural and \$2,000 for insulation

Fraudulent Misrepresentation / Disclosure Omissions and damages

\$4,358 - The primary support posts / piers in the crawl space were dry rotted and termite ridden. The defects were easily visible and not disclosed by the pre-sale home inspector or the pre-sale termite inspector.

\$2,000 - the insulation on the 1st floor crawl was installed upside down and away from the heated surface. This rendered the insulation useless. The defects were easily visible and not disclosed by the pre-sale home inspector.

4a) Structural Defects

Buyer Discovery of Defects - Day 3 in Escrow

Plaintiffs/Buyers entered the crawl 3 times with other parties. .

1. Day 3 in escrow - with a contractor.
2. Day 5 in escrow - with a Termite Inspector.
3. Day 7 in escrow - with the Home inspector.

On Day 3 in Escrow the plaintiffs entered the crawl space with a Licensed Contractor. They were looking for causation for a low spot in the living room area. Logically it should have been a post and pier problem but the pre-sale home inspector had said they showed no visible defects, and the prep-sale termite inspector made no notes of defects to the post and piers or any other crawl members either.

Within 30 seconds of crawl space entry, they realized the pre-sale home inspector had staged a photo of insulation, and falsely declared the crawl to be uninspectable. There had already been conflicting crawl space reporting that suggested they had done a full inspection, and that suggested it was the “inaccessible” portion that was fraudulent.

Within another minute or two, they were able to identify visible dry rot damage to the center post and pier, contrary to the pre-sale home inspectors reporting.

Within a few more minutes they identified the other post and pier defect at the far end of the crawl space and numerous other reporting oversights.

On Day 5 in Escrow, plaintiffs entered crawl and reviewed items with the termite inspector. He was without a camera so plaintiffs didn't ask him to document details.

On Day 7 in Escrow, plaintiffs entered crawl with their Home Inspector. (Murrer). He documented the crawl space material facts and defects in a manner that exposed the omission of the pre-sale Home Inspector and pre-sale termite inspector.

Murrer Report - pg 41/5 - Photos of dry-rotted / defective post

The buyer's inspector included photos of the defective columns with a note of "satisfactory condition" because nobody wants to write "structural defects" in a report for fear of getting sued.

I told him I just needed him to photograph it and I'd pursue it from there.

Paul Murrer

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Murrer Certified Inspections

Bryan Canary

12 Bayview Road, Castroville, CA

**5. Piers**

Observations:

- Appeared to be in satisfactory condition.

**6. Ventilation**

Observations:

- Appeared adequate and correctly installed.
- **Recommend proper foundation pit at vents to prevent water migration.**



Indications of heavy water migration in areas.

View from the Crawl Opening

High water flood marks are visible on the side wall from opening.

Flood mark visible around foundation from crawl opening. Anyone looking in at all would have seen this and could have expected other problems

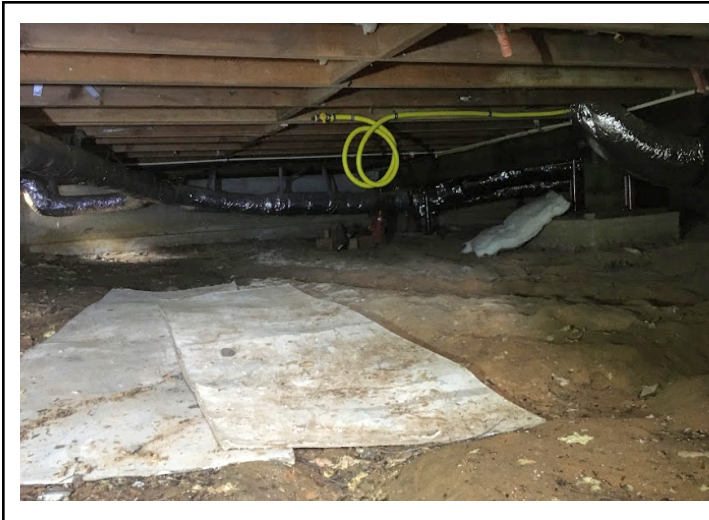


Crawl Height

The crawl is 34" tall at opening and gets taller.



HI 4 - Crawl Space - Structural Defects, Insulation Defects and other Fraudulent Omissions



Center Post Dryrot and Structural Defect Details



The post had clear signs of dry rot visible from 15' away

- 1) The flood line that corresponded with the line on the walls
- 2) After close of escrow, the home was jacked up by 3/4" to correct the fall from dry rot
- 3) After close of escrow jacks were installed to support the home in the event of further main post deterioration

6/8/2021



4/9/2021 - Only photo found showing the rear post and pier prior to wood removal. Can identify via the separate concrete block in front of foundation



Seller and Seller's Agent Failure to Disclose

TDS Page 2 - item B - Are you seller aware of any significant defects

The Seller checked floors but then only mentions "minor water in damage in dining room floor"

The corner where the living room turned into the dining room was sunken by 1" compared to surrounding flooring. It was a grossly obvious defect that indicated there were structural issues of some sort below.

The Seller and Seller's Agent may have felt because the defect was visible they needed not disclose it, but given it was suggestive of crawl space and structural defects, that was a mistake.

Property Address: 12 Bayview Rd, Castroville, CA 95012-9725 Date: March 16, 2021

B. Are you (Seller) aware of any significant defects/malfunctions in any of the following? ☒ Yes ☐ No. If yes, check appropriate space(s) below.

☐ Interior Walls ☐ Ceilings ☒ Floors ☐ Exterior Walls ☒ Insulation ☐ Roof(s) ☒ Windows ☐ Doors ☐ Foundation ☐ Slab(s)

☐ Driveways ☐ Sidewalks ☐ Walls/Fences ☒ Electrical Systems ☐ Plumbing/Sewers/Septics ☒ Other Structural Components

(Describe: upstairs windows might leak a little during heavy rain. Insulation under structure detached)

If any of the above is checked, explain. (Attach additional sheets if necessary.): minor water damage in dining room floor
solar panels in need of regular maintenance. Power Max is 536kw/Month in last 6 months.
Cracking in cement in Pool house and around pool. Sheds and Water House in need of work.

TDS Page 3 - Agent - Additional Items to Disclose

Sellers Agent failed to disclose additional information he was or should have been aware of given a 10 month property management responsibility and construction oversight responsibility, including the sunken floor defect and the repairs in that exact area related to defective flooring.

Property Address: Red, Castroville, CA 95012-9725 Date: March 18, 2021

Seller certifies this information herein is true and correct to the best of the Seller's knowledge as of the date signed by the Seller.

Seller: [Redacted] Date: 3/18/2021

Seller: [Redacted] Date: _____

III. AGENT'S INSPECTION DISCLOSURE

(To be completed only if the Seller is represented by an agent in this transaction.)

THE UNDERSIGNED, BASED ON THE ABOVE INQUIRY OF THE SELLER(S) AS TO THE CONDITION OF THE PROPERTY AND BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY IN CONJUNCTION WITH THAT INQUIRY, STATES THE FOLLOWING:

☒ See attached Agent Visual Inspection Disclosure (AVID Form)

☐ Agent notes no items for disclosure.

☒ Agent notes the following items: _____

Agent (Broker Representing Seller) KW Coastal Estates By: [Redacted] Date: 3/18/2021

(Please Print) (Associate Licensee or Broker Signature)

IV. AGENT'S INSPECTION DISCLOSURE

(To be completed only if the agent who has obtained the offer is other than the agent above.)

THE UNDERSIGNED, BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY, STATES THE FOLLOWING:

☒ See attached Agent Visual Inspection Disclosure (AVID Form)

☐ Agent notes no items for disclosure.

☐ Agent notes the following items: _____

Agent (Broker Obtaining the Offer) [Redacted] By: [Redacted] Date: 4/1/2021

(Please Print) (Associate Licensee or Broker Signature)

V. BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND/OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN BUYER AND SELLER(S) WITH RESPECT TO ANY ADVICE/INSPECTIONS/DEFECTS.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT.

Seller: _____ Date: _____ Buyer: _____ Date: _____

Seller: _____ Date: _____ Buyer: _____ Date: _____

Agent (Broker Representing Seller) KW Coastal Estates By: [Redacted] Date: _____

(Please Print) (Associate Licensee or Broker Signature)

Agent (Broker Obtaining the Offer) _____ By: [Redacted] Date: _____

(Please Print) (Associate Licensee or Broker Signature)

SECTION 1102.3 OF THE CIVIL CODE PROVIDES A BUYER WITH THE RIGHT TO RESCIND A PURCHASE CONTRACT FOR AT LEAST THREE DAYS AFTER THE DELIVERY OF THIS DISCLOSURE IF DELIVERY OCCURS AFTER THE SIGNING OF AN OFFER TO PURCHASE. IF YOU WISH TO RESCIND THE CONTRACT, YOU MUST ACT WITHIN THE PRESCRIBED PERIOD.

A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

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TDS REVISED 6/20 (PAGE 3 OF 3)

REAL ESTATE TRANSFER DISCLOSURE STATEMENT (TDS PAGE 3 OF 3)

Produced with Love Wolf Transactions (aPForm Editor) 231 Shearson Dr. Cambridge, Ontario, Canada N1T 1J6 www.loveform.com 12 Boardwalk

SPQ Page 2 - Item 7A - Defects in any of the following: ceiling

Seller indicated there were defects in a list of items that included the word "floors", but made no references to any sunken floor or subfloor defects in the first floor area where the Living room wall turned into the dining room wall adjacent to the kitchen.

7. STRUCTURAL, SYSTEMS AND APPLIANCES:	ARE YOU (SELLER) AWARE OF...
A. Defects in any of the following, (including past defects that have been repaired): heating, air conditioning, electrical, plumbing (including the presence of polybutylene pipes), water, sewer, waste disposal or septic system, sump pumps, well, roof, gutters, chimney, fireplace, foundation, crawl space, attic, soil, grading, drainage, retaining walls, interior or exterior doors, windows, walls, ceilings, floors or appliances	☒ Yes ☐ No
B. The leasing of any of the following on or serving the Property: solar system, water softener system, water purifier system, alarm system, or propane tank (s)	☒ Yes ☐ No
C. An alternative septic system on or serving the Property	☐ Yes ☒ No
Explanation: <u>heating system repaired, electrical, plumbing, water all repaired, well pressure vessels replaced 6/2020 roof replaced 2016, chimney in need of repair (fire place works).</u>	

SPQ Page 4 - Item 17A - List of reports for representation -

The seller indicates he is going to provide reports for representation.

1. He failed to indicate he was providing his pre-sale home inspection report, but it was provided.
2. He failed to indicate he was providing his pre-sale termite inspection report, but it was provided and it may or may not have been what he was alluding to with his "pest report" reference

No other reports were noted as being provided that would have called out the flooring and related structural defects in the living room-dining room corner. .

NOTE: this document was signed 3/18/2021. That was two days after the MLS listing went live and 2 weeks prior to forming a contract with buyers.

17. OTHER:	ARE YOU (SELLER) AWARE OF...
A. Reports, inspections, disclosures, warranties, maintenance recommendations, estimates, studies, surveys or other documents, pertaining to (i) the condition or repair of the Property or any improvement on this Property in the past, now or proposed; or (ii) easements, encroachments or boundary disputes affecting the Property whether oral or in writing and whether or not provided to the Seller	☒ Yes ☐ No
(If yes, provide any such documents in your possession to Buyer.)	
B. Any occupant of the Property smoking any substance on or in the Property	☐ Yes ☒ No
C. Any past or present known material facts or other significant items affecting the value or desirability of the Property not otherwise disclosed to Buyer	☐ Yes ☒ No
Explanation: <u>Well/water reports, septic provided, pest report</u>	
18. ☒ (IF CHECKED) ADDITIONAL COMMENTS: The attached addendum contains an explanation or additional comments in response to specific questions answered "yes" above. Refer to line and question number in explanation.	
Seller represents that Seller has provided the answers and, if any, explanations and comments on this form and any attached addenda and that such information is true and correct to the best of Seller's knowledge as of the date signed by Seller. Seller acknowledges (i) Seller's obligation to disclose information requested by this form is independent from any duty of disclosure that a real estate licensee may have in this transaction; and (ii) nothing that any such real estate licensee does or says to Seller relieves Seller from his/her own duty of disclosure.	
Seller <u>Micah A. Forstein</u>	Date <u>3/18/2021</u>

SPQ Page 4 - Item 17C - Material facts or defects affecting property not otherwise disclosed to Buyer

17. OTHER: **ARE YOU (SELLER) AWARE OF...**

A. Reports, inspections, disclosures, warranties, maintenance recommendations, estimates, studies, surveys or other documents, pertaining to (i) the condition or repair of the Property or any improvement on this Property in the past, now or proposed; or (ii) easements, encroachments or boundary disputes affecting the Property whether oral or in writing and whether or not provided to the Seller ☒ Yes ☐ No
 (If yes, provide any such documents in your possession to Buyer.)

B. Any occupant of the Property smoking any substance on or in the Property ☐ Yes ☒ No

C. Any past or present known material facts or other significant items affecting the value or desirability of the Property not otherwise disclosed to Buyer ☐ Yes ☒ No

Explanation: Well/water reports, septic provided, pest report

18. ☒ (IF CHECKED) ADDITIONAL COMMENTS: The attached addendum contains an explanation or additional comments in response to specific questions answered "yes" above. Refer to line and question number in explanation.

Seller represents that Seller has provided the answers and, if any, explanations and comments on this form and any attached addenda and that such information is true and correct to the best of Seller's knowledge as of the date signed by Seller. Seller acknowledges (i) Seller's obligation to disclose information requested by this form is independent from any duty of disclosure that a real estate licensee may have in this transaction; and (ii) nothing that any such real estate licensee does or says to Seller relieves Seller from his/her own duty of disclosure.

Seller

Micah A. Forstein

Micah A Forstein

Date 3/18/2021

SPQ Page 1 - Item 5J - Material facts or defects affecting property not otherwise disclosed to Buyer

The seller indicates yes, but does not include any information about flooring defects or related structural defects for the living room-dining room corner. .

5. STATUTORILY OR CONTRACTUALLY REQUIRED OR RELATED: **ARE YOU (SELLER) AWARE OF...**

A. Within the last 3 years, the death of an occupant of the Property upon the Property ☐ Yes ☒ No

B. An Order from a government health official identifying the Property as being contaminated by methamphetamine. (If yes, attach a copy of the Order.) ☐ Yes ☒ No

C. The release of an illegal controlled substance on or beneath the Property ☐ Yes ☒ No

D. Whether the Property is located in or adjacent to an "industrial use" zone ☐ Yes ☒ No
 (In general, a zone or district allowing manufacturing, commercial or airport uses.)

E. Whether the Property is affected by a nuisance created by an "industrial use" zone ☐ Yes ☒ No

F. Whether the Property is located within 1 mile of a former federal or state ordnance location ☐ Yes ☒ No
 (In general, an area once used for military training purposes that may contain potentially explosive munitions.)

G. Whether the Property is a condominium or located in a planned unit development or other common interest subdivision ☐ Yes ☒ No

H. Insurance claims affecting the Property within the past 5 years ☒ Yes ☐ No

I. Matters affecting title of the Property ☐ Yes ☒ No

J. Material facts or defects affecting the Property not otherwise disclosed to Buyer ☒ Yes ☐ No

K. Plumbing fixtures on the Property that are non-compliant plumbing fixtures as defined by Civil Code Section 1101.3 ☐ Yes ☐ No

Explanation, or ☒ (if checked) see attached; storm Damage of old fence now replaced. Best Internet 300Mbs

Through Comcast cable.

Buyer's Initials

DS
BC AB

Seller's Initials

MF

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SPQ REVISED 6/18 (PAGE 1 OF 4)

SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 1 OF 4)

Tracy Travaile, Broker, PO Box 326 Pacific Grove CA 93950
 Tracy Travaile

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12 Boardwalk -



Non-disclosed Photo from 20200915 - GC John Chatters (MAF001114 / MAF001115)

In Discovery, Forstein produced an email from his General Contractor and a photo. It was an image of subflooring defects that the GC wanted to cover up with new tile. This is within 24" of the low spot of the sunken floor and the subfloor he covered up was a contributor to the sunken floor, along with a dry rotted post and pier in the crawl. The condition of the subfloor defects was not visible to buyers as this was covered over with new tile and a transition from tile to hardwood.

MAF001115 / MAF 001115 - email with photo only of damaged subfloor

From: John Chatters <jowcha@aol.com>
Sent: Tuesday, September 15, 2020 10:27 AM
To: Micah Forstein
Subject: Image of underlayment



2

MAF001115

MAF001118 - email subfloor comments (related to the photo)

This is the email related to the photo of the damaged subfloor

From: John Chatters <jowcha@aol.com>
Sent: Tuesday, September 15, 2020 10:25 AM
To: Micah Forstein
Subject: Kitchen floor underlayment

Micah, I thought I better send you this information sooner instead of later so we can keep going forward. The underlayment in the kitchen is in really bad shape which explains why the tile was breaking- it's not the appropriate underlayment for tile, and take into account, some moisture issues over the years has caused it to deteriorate badly. The correct underlayment is a half- inch cement board which I have and I'm ready to install but I'd like your approval first. The additional cost for labor and materials is \$900. That includes removal of the old underlayment too. Normally it would be about \$1200 but since this is a surprise Ill do it as close to cost as I can to help out. Please advise, as to approval, and we will get the new underlayment installed ASAP.
Sincerely, John Chatters.

Sent from my iPhone

Seller's 2015 Home Inspector committed reporting fraud too...

We obtained the seller's 2015 inspection report via document demand. That inspector omitted the same crawl defects that were omitted by the seller's pre-sale home inspector. .

Dryrot in the wood posts takes many , many years to manifest. That did not happen between the time this report was created in 2015 and 2021 and it's presumed no flooding at that level could have transpired due to the gravity drain system that is in the crawl, that forstein did not install.

Beams, Girders & Floor Joists

Beams, girders and floor joists are the horizontal members that are used to support the subfloor.

The visible floor beams, girders and/or joists appear to be adequate, properly installed and in generally good condition.

Piers & Support Posts

The piers and support posts are the members used to support the beams/girders between the exterior foundation walls.

The piers and support posts were in generally good condition with no sign of significant movement.

Subflooring

The subfloor is the boards, plywood or fiberboard that is nailed to the sill, joists and/or beams, over which the finished floor is laid.

The subfloor was concealed by insulation and could not be visually inspected. However, the areas immediately around the toilet, tub, shower and kitchen waste lines were checked, and appeared to be in generally good condition with no evidence of unusual or severe deterioration.

Seismic Considerations

Anchor bolts are fasteners that connect the wood framing to the foundation. They limit the ability of the framing to move independently on the foundation in the event of seismic activity. Our inspection of the bolts is considered a representative sampling due to the fact that not all bolts may be available for visual inspection.

The visible sections of mudsill, which is the lowest wood member of the wood frame that rests directly on the foundation, were anchored to the foundation.

Crawl Space Moisture

- **Improve:** There is moist soil in the crawl space. This condition may vary seasonally and/or with precipitation intensity. Roof and lot drainage repairs or improvements should be addressed to control water in the crawl space (see "Exterior").

This confidential report is prepared exclusively for Micah F. [REDACTED]
© 2015 Homecheck Property Inspection Service

Pre-Sale Home Inspector - Post and Pier - False Reporting

Page 51 items 10 and 17 - omitted reference to visible defects

Vierra's report, page 51, items 10 and 17 failed to note structural defects in wood members.

Client/Site: Micah Forstein 12 Bayview Rd, Castroville, CA 95012 Workorder #: 14898375
 RLV Inspection Services dba WIN Home Inspection Monterey (831) 637-2194
 WINspect v2.2.981 © 2021 WIN Home Inspection

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WIN
HOME INSPECTION

Home Inspection Details
(Italicized comments also appear in the summary report)

Note: Vapor barriers prevent moisture from wet or damp soil conditions from evaporating in a manner which may cause microbial growth and/or wood damage when installed properly. Periodic inspections of the sub area for moisture and/or dampness is recommended.

9. Proper Earth-Wood Clearance
Yes

10. Wood Members
Satisfactory

11. Pipe/Ducts
Attention - damaged insulation
There were heat ducts with damaged insulation wrap. Appropriate repairs or replacement is recommended to prevent rust or corrosion of the metal duct work, and maintain proper insulation characteristics. Contact a qualified heating company for evaluations and/or repairs to the heat duct system.

12. Evidence of Cracks - Stem Walls
No

13. Separation Over 1/4"
No

14. Sill Plate Anchors
Verified
 Anchor bolts are fasteners which connect wood framing to the concrete foundation. They limit the framings ability to move independently on the foundation in the event of an earthquake. The sill-plate anchors were located and verified to be in place at the time of the inspection. We recommend you contact an appropriate trade for evaluations or current seismic upgrades.

15. Method of Inspection
Head and Shoulders

16. Insulation
Batten insulation - damaged/fallen
 There are fiberglass battens in the crawl through area which have fallen and are damaged. It is common for some battens to fall onto the soil over time. We recommend re-installing them as needed. If they have become wet or damaged they should be replaced with a like product.

17. Pier Type and Condition
Concrete piers and posts
 There were no visible or significant issues visible to the concrete support piers or wood posts in the sub-structure. This inspection in no way is meant to evaluate the integrity of the structure. For a detailed evaluation of the structure, we recommend you contact an appropriate structure/soils specialist.

18. Seismic Components Installed
Recommended Upgrade
 We recommend you contact an appropriate trade to discuss additional upgrades to the structure such as strapping of posts under the home. These upgrades would help the structure resist substantial damage due to an earthquake.

Page 51 item 15 contradicts inspection method required for 10, 11, 12, 14, and 17

In item 15, they state a "head and shoulders inspection" was done but that is mutually exclusive from the inspections they claimed they performed for 10, 11, 12, 14, and 17. This entire section of information was fabricated along with many other parts of the report. .

Discovery - DSCF4025 / VIE 000078

This is a photo of the crawl that shows a flood line in the crawl that was not reported on or provided in the report.



Pre-Sale Termite Inspector - Post and Pier - False Reporting

Page 1- Report marked as a "complete report" & he made no reference to omitting the crawl.

In fact he states the inspection tag was placed in the subarea.

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT # 20200732				
BUILDING NO. 12	STREET BAYVIEW RD	CITY CASTROVILLE	ZIP 95012	Date of Inspection 02/05/2021
				NUMBER OF PAGES 1 of 7
WHEELER TERMITE CO. 9934 MIMOSA PATH Salinas, CA 93907 PH# (831) 633-2284 Email b.wheeler1959@gmail.com PR 3130				
Ordered by: KENT WEINSTEIN		Property Owner and/or Party of Interest		Report sent to:
COMPLETE REPORT ☒ LIMITED REPORT ☐ SUPPLEMENTAL REPORT ☐ REINSPECTION REPORT ☐				
GENERAL DESCRIPTION: This is a two story, wood sided, single family residence with a raised foundation. It has an attached garage and an attached patio. It has a composition roof and was vacant at the time of inspection.				Inspection Tag Posted: Subarea. ← Other Tags Posted:
An inspection has been made of the structure(s) on the diagram in accordance with the 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: 1 = Subterranean Termites 2 = Drywood Termites 3 = Fungus/Dryrot 4 = Other Findings 5 = Further Inspection				
Inspected By <u>ALEX CARRIAGA</u> License No. <u>FR 43400</u> Signature <u></u>				
You are entitled to obtain copies of all reports and completion notices on this property report to the Structural Pest Control Board during the preceding two years. To obtain copies contact: Structural Pest Control Board, 2005 Evergreen Street, Suite 1500, 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) 561-8708, (800) 737-8188 or www.pestboard.ca.gov. (form t1a - 3/15/08) 43M-41 (Rev. 10/01)				

Page 3 - Report Omissions - he notes the roof but nothing else

He makes no notes of omitting the crawl space

BUILDING NO.	STREET	CITY	ZIP	Date of Inspection	NUMBER OF PAGES
12	BAYVIEW RD	CASTROVILLE	95012	02/05/2021	3 of 7

NOTE:
THE ROOF WAS NOT INSPECTED. IF ROOF INFORMATION IS NECESSARY, PLEASE CONTACT THE APPROPRIATE LICENSED TRADESMAN.

NOTICE: 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 WHEELER TERMITE COMPANY'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, WHEELER TERMITE COMPANY WILL NOT BE RESPONSIBLE FOR ANY ACT OR OMISSION IN THE PERFORMANCE OF WORK THAT THAT YOU DIRECTLY CONTRACT WITH ANOTHER TO PERFORM.

SECTIONED REPORTING

THIS IS A SEPARATED REPORT WHICH IS DEFINED AS SECTION I OR SECTION II. CONDITIONS EVIDENT ON THE DATE OF THIS 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.

1. SUBTERRANEAN TERMITES

ITEM NO. 1A (Section 1)

FINDING AND RECOMMENDATION: 1A

FINDING: (SECTION 1)
EVIDENCE OF SUBTERRANEAN TERMITES IN AS INDICATED BY 1A ON THE DIAGRAM. THE EVIDENCE WAS SUBAREA AND WOOD FLOORING .

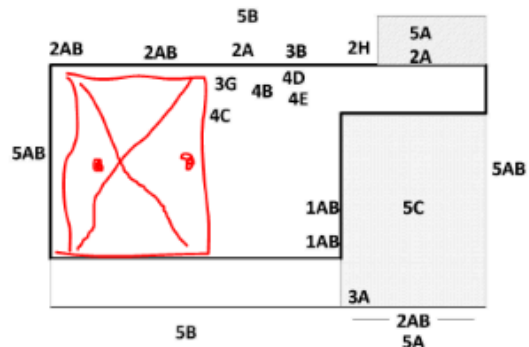
RECOMMENDATION:
TREAT INFESTATION FOR THE CONTROL OF SUBTERRANEAN TERMITES.

ITEM NO. 1B (Section 1)

FINDING AND RECOMMENDATION: 1B

FINDING: (SECTION 1)
SUBTERRANEAN TERMITE INFESTATION AND DAMAGE INDICATED BY 1B ON DIAGRAM. THE DAMAGE WAS NOTED WOOD FLOOR

A Proper Sketch for example



The red X is uninspected crawl.

The two dots represent locations of dry rotted support columns



Quote for Repairs

Contractor 1 - \$4,358

<https://home-Purchase-2021.bryancanary.com>
<https://contractor-complaints-2023.bryancanary.com>
 Estimate for Repairs - Termite Inspector Related Defects

Termite Inspector 2 - Crawl Space - Structural Damage Omissions

Please provide pricing for the following work. If you want to provide a price range please use Price 1 for lower range and price 2 for upper. Otherwise just use Price 1 to represent your estimate.

Description of Work	Price 1	Price 2
<u>Main Support Post for main Beam - Center of Crawl</u> Jack up home by 3/4" Insert Wooden shim for temporary support Install Metal Columns for permanent support (Consider changing out wooden column)	\$2,423 ⁰⁰	
<u>End Support Post for main Beam - Far end of crawl</u> Jack up home by 1/2" Install temporary supports Remove original column and secondary column that had been installed years ago as a repair. Install Columns for support	\$1,935 ⁰⁰	
Total	\$4,358 ⁰⁰	

Date 8/12/23

Contractor Name

Company Name

Contractor License

Contractor Signature

Contractor 2 - \$4,600

<https://home-Purchase-2021.bryancanary.com>
<https://contractor-complaints-2023.bryancanary.com>
 Estimate for Repairs - Termite Inspector Related Defects

Termite Inspector 2 - Crawl Space - Structural Damage Omissions

Please provide pricing for the following work. If you want to provide a price range please use Price 1 for lower range and price 2 for upper. Otherwise just use Price 1 to represent your estimate.

Description of Work	Price 1	Price 2
<u>Main Support Post for main Beam - Center of Crawl</u> Jack up home by 3/4" Insert Wooden shim for temporary support Install Metal Columns for permanent support (Consider changing out wooden column)	\$2,800 ⁰⁰	
<u>End Support Post for main Beam - Far end of crawl</u> Jack up home by 1/2" Install temporary supports Remove original column and secondary column that had been installed years ago as a repair. Install Columns for support	\$1,800 ⁰⁰	
Total	\$4,600 ⁰⁰	

Date 8-12-23

Contractor Name _____

Company Name _____

Contractor Lic _____

Contractor _____

4b) Insulation Defects

Statement of Facts - 1 paragraph - Forstein Fraud

1. 12 Bayview Road was delivered from Forstein to Plaintiffs on May 13, 2021 with insulation installed upside down in a manner, that was known to Forstein prior to March 18, 2021 and not disclosed prior to plaintiff discovery in escrow on 4/7/2021. [known from his 2015 home inspection report // \$2,000]

Statement of Facts - Short - Forstein Fraud

1. In 2015, when Forstein purchased 12 Bayview Road, he obtained a home inspection report that informed him of insulation installed upside down in the crawl space (2015 report page 21)
2. In March 2021, Forstein entered a contract to sell his home to the Plaintiffs without representing an insulation installation defect in the crawl space.
3. On 4/7/2021 Plaintiffs Canary and Bowers discovered the insulation installation defect in the crawl space that Forstein had failed to disclose from their home inspector, Paul Murrer. (Murrer report pg 38)
4. Forstein is liable for fraudulent misrepresentation of a material defect affecting energy use.

Statement of Facts - Long - Forstein Fraud

1. Micah Forstein purchased 12 Bayview Road in 2015.
2. When Forstein purchased home in 2015, he obtained a home inspection report that informed him the insulation in the crawl space had been installed up-side-down (2015 report page 21)
3. On 3/18//2021, insulation in the crawl space was still installed upside down. at 12 Bayview Road.
4. On 3/18/2021 Micah Forstein signed a TDS (Transfer Disclosure Statement) in preparation for selling 12 Bayview Road.
 - a. The 3/18/2021 TDS signed by Forstein contained no representations about insulation installed upside down in item B or anywhere else appropriate or inappropriate to represent that material fact.
 - b. The 3/18/2021 TDS signed by Forstein did NOT identify his 2015 Home Inspection report as a document he intended to present to prospective buyers for representation and/or disclosure purposes on page 1 or anywhere else appropriate or inappropriate.
5. On 3/18/2021 Micah Forstein signed an SPQ (Seller Property Questionnaire) in preparation for selling 12 Bayview Road.
 - a. The 3/18/2021 SPQ signed by Forstein contained no representations about insulation installed upside down in 7A, 17A, 17C, 5J or anywhere else appropriate or inappropriate to represent that material fact.
 - b. The 3/18/2021 SPQ signed by Forstein did NOT identify his 2015 Home Inspection report as a document he intended to present to prospective buyers for representation and/or disclosure purposes in item 17 or anywhere else appropriate or inappropriate.
6. On 3/30/2021 Plaintiffs Canary and Bowers formed a contract to purchase 12 Bayview Road from Forstein with no knowledge of his representation omission of, nor the existence of, insulation installed upside down in the crawl space. (signed counter offer)
7. On 4/7/2021 Plaintiffs Canary and Bowers learned of the insulation installed upside down from their home inspector, Paul Murrer. (Murrer report pg 38)
8. On 4/16/2021, Kent Weinstein, Forstein's Sales Person, presented Plaintiffs Canary and Bowers with Forstein's 2015 Home Inspection report without any prior notice to Plaintiffs Canary and Bowers that it existed or that it contained information about the insulation installed upside down in the crawl space. .
9. On 4/17/2021 Plaintiffs Canary and Bowers were supposed to remove their condition contingency
10. Based on information and behavior, Forstein and Weinstein seemed to believe or they wanted Plaintiffs to believe that the delivery of Forstein's 2015 report on 4/16/2021, the day prior to the requirement for the Plaintiffs to remove their condition contingency, would relieve Forstein of liability for fraudulent misrepresentation.

11. On 5/13/2021 escrow closed
12. On 5/9/2024, Forstein was sued for Fraudulent Misrepresentation
13. On or around 9/24/2024 the plaintiffs served Forstein an Admit Document
14. On 10/24/2021 Forstein and his Attorney Ken Gorman signed a response to the 9/24/2024 Admit document.
 - a. In response to Admit 51 in 5/9/2024 Admit Document, “Prior to Contract Formation, Forstein made no representations the insulation in the crawl space was installed upside down and away from the heated surface..” Attorney Ken Gorman supported Forstein’s response of “admitted that Mr. Forstein did not make a statement to that effect because he is unaware of such condition, though he did disclose that some crawl space insulation was detached, otherwise denied.”
 - b. In response to Admit 39 in 5/9/2024 Admit Document, “Prior to Contract Formation, Forstein presented a pre-sale home inspection report that made no representations the insulation in the crawl space was installed upside down and away from the heated surface.” Attorney Ken Gorman supported Forstein’s response of _ “Admitted that the Win Sellers Pre-Sale Inspection report was provided to Plaintiffs after acceptance of their counteroffer and before they waived contingencies and that it does not appear to mention that insulation is installed upside down. Otherwise denied because Mr.Forstein has no knowledge or belief as to whether or not that condition exists, the extent to which it exists, and/or is a defect..”
15. On 3/18/2021, Micah Forstein signed his TDS and SPQ with omissions of material fact related to insulation installation defect in the crawl space known to him from his 2015 report, constituting an act of fraudulent misrepresentation.

On 10/24/2024, Attorney, Ken Gorman engaged in conspiracy to commit fraud with Forstein by creating admit responses that avoided admission to facts that were sufficient to prove fraudulent misrepresentation. Gorman’s fraud forced the creation of this full statement of facts, and significant additional documentation to support this longer and more specific statement of facts which was fully unnecessary given all the facts known to Gorman at the time he signed Forstein’s response.

Buyer Discovery of Defects

2021 - Pg 38 Buyers Home Inspection Report - Insulation installed incorrectly

Buyer's 2021 inspection report notes the paper is supposed to face the heated surface, but even he fails to also not that the insulation needs o also be installed against heated surface to provide any insulation benefits at all.

3. Insulation

Observations:

- Insulation was observed to be missing or out of place in one or more locations. Recommend upgrading to promote proper insulation and increased efficiency of home.
- **Rodent nests observed in insulation. Recommend sealing all gaps and cracks to prevent wild life entrance and consulting with a pest specialist to eliminate any future issues.**
- **Due to the high moisture content in the crawlspace. The insulations has become saturated. The additional weight of the water is causing the insulation to detached from the joists. Once insulation becomes wet it should be removed. Replacement should only occur after the moisture issue is resolved.**
- **Insulation appears to be installed incorrectly. Manufacturer's instructions typically state that the paper backing is to face the heated living space. Recommend review by a licensed insulation and ventilation contractor.**



Damaged insulation noted.



Insulation installed wrong side down

4. Plumbing Condition

Observations:

- Visible areas found in good condition.

NOTE: The install instructions are right on the paper.

2021 - Pg 94 Buyers Home Inspection Report - Insulation installed incorrectly

Page 38 Item: 3	Insulation	back of the building. • Rodent nests observed in insulation. Recommend sealing all gaps and cracks to prevent wild life entrance and consulting with a pest specialist to eliminate any future issues. • Due to the high moisture content in the crawlspace. The insulations has become saturated. The additional weight of the water is causing the insulation to detached from the joists. Once insulation becomes wet it should be removed. Replacement should only occur after the moisture issue is resolved. • Insulation appears to be installed incorrectly. Manufacturer's instructions typically state that the paper backing is to face the heated living space. Recommend review by a licensed insulation and ventilation contractor.
Page 39 Item: 5	Ductwork	• Some ducting is in contact with soils. • Recommend scoping underground ducting to verify if moisture intrusion has occurred.
Foundation		
Page 41 Item: 6	Ventilation	• Recommend proper foundation pit at vents to prevent water migration.
Page 41 Item: 8	Floor Systems at Foundation	• Evidence of past water penetration observed.
Page 42 Item: 9	Foundation Perimeter	• High water line noted at perimeter of building. Recommend an extending downspouts and a sump pump to prevent further occurrences.
Page 42 Item: 10	Drainage System	• Unprofessional drain pipe installation noted. Recommend installing an alarmed sump pump with battery backup.
Heating System 1		

Seller and Seller's Agent Failure to Disclose**2015 - Pg 21 Home Inspection shows insulation in pristine condition but upside down...**

Seller's 2015 inspection report was not provided during bid consideration It was obtained via a document demand.

Seller's 2015 inspector states the insulation had been properly installed, "for the most part" and was functioning as intended AND THEN he goes on to state, it was installed upside down and all that was installed improperly should be fixed, and that's all 900sf of the insulation. NOTE: he fails to state it's not against the heated surface as well, and that's all that makes it functional as insulation...



1000 New Rd., San Jose, CA Page 21 of 38

Insulation / Ventilation

DESCRIPTION OF INSULATION / VENTILATION

Attic Insulation:	•R11 •Fiberglass
Exterior Wall Insulation:	•Unknown
Crawl Space Insulation:	•R19 •Fiberglass
Roof Ventilation:	•None Visible
Crawl Space Ventilation:	•Exterior Wall Vents

INSULATION / VENTILATION OBSERVATIONS & RECOMMENDATIONS

General Comments On Energy Conservation

Insulation, weather-stripping, double-glazed windows and doors, and setback thermostats are features that help reduce heat loss and/or gain and increase system and appliance efficiency. Today's standards would suggest that attic insulation levels be at R30, wall insulation at R11 (2x4 framing) or R19 (2x6 framing), and floor insulation at R19. Attic and crawl space ventilation help keep the house cooler in warm weather, help control humidity and reduce the potential for rot, and extend the life of roofing materials. Our visual inspection includes a review to determine if these features are present in representative locations, and we may offer suggestions for upgrading.

The glass in some of the exterior doors in this dwelling was double-pane or insulated glass. Some of the windows in this dwelling were glazed with double-pane or insulated glass units. The thermostat(s) in this dwelling was not a programmable set-back type device.

Insulation levels are typical for a home of this age and construction. Adding insulation, installing energy saving features and improving general conservation could make the home more comfortable and help reduce utility costs.

Attic/Roof Insulation

Insulation placed above the living spaces in this dwelling had been properly installed and was functioning as intended.

- **Improve:** The depth of insulation above the living spaces was inadequate by present building standards. Adding insulation to increase the thermal resistance of this area would be a very cost-effective step in enhancing the energy efficiency of the dwelling.

Crawl Space Insulation

The crawl space is well insulated and would meet today's standards. Insulation placed in the crawl space of this dwelling had been properly installed, for the most part, and was functioning as intended. However, we suggest attention to the items noted below.

- **Improve:** The insulation was installed with the vapor barrier reversed, facing away from the heated area of the house. All insulation which had been improperly installed should be reinstalled, or otherwise modified as appropriate, to bring it into conformance with the manufacturer's installation instructions.



TDS Page 2 - item B - Are you seller aware of any significant defects

The Seller checked insulation, but then only mentions "insulation under structure detached"

He fails to mention it's installed upside down and he was aware of that in 2015.

He fails to mention it's installed away from the heated surface, rendering it useless. (that may be why he ran the heat 12 months a year).

HI 4 - Crawl Space - Structural Defects, Insulation Defects and other Fraudulent Omissions

Property Address: 12 Bayview Rd, Castroville, CA 95012-9725 Date: March 16, 2021

B. Are you (Seller) aware of any significant defects/malfunctions in any of the following? ☒ Yes ☐ No. If yes, check appropriate space(s) below.

☐ Interior Walls ☐ Ceilings ☒ Floors ☐ Exterior Walls ☒ Insulation ☐ Roof(s) ☒ Windows ☐ Doors ☐ Foundation ☐ Slab(s)
☐ Driveways ☐ Sidewalks ☐ Walls/Fences ☒ Electrical Systems ☐ Plumbing/Sewers/Septics ☒ Other Structural Components

(Describe: upstairs windows might leak a little during heavy rain. Insulation under structure detached)

If any of the above is checked, explain. (Attach additional sheets if necessary.): minor water damage in dining room floor
solar panels in need of regular maintenance. Power Max is 536kw/Month in last 6 months.
Cracking in cement in Pool house and around pool. Sheds and Water House in need of work.

TDS page 3 -Agent Inspection Disclosure

Sellers Agent failed to disclose additional information he was or should have been aware of given a 10 month property management responsibility and construction oversight responsibility, including full scope of insulation defects.

Property Address: Red, Castroville, CA 95012-9725 Date: March 18, 2021
 Seller certifies this information herein is true and correct to the best of the Seller's knowledge as of the date signed by the Seller.
 Seller: [Redacted] Date: 3/18/2021
 Seller: [Redacted] Date: _____

III. AGENT'S INSPECTION DISCLOSURE
 (To be completed only if the Seller is represented by an agent in this transaction.)
 THE UNDERSIGNED, BASED ON THE ABOVE INQUIRY OF THE SELLER(S) AS TO THE CONDITION OF THE PROPERTY AND BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY IN CONJUNCTION WITH THAT INQUIRY, STATES THE FOLLOWING:
☒ See attached Agent Visual Inspection Disclosure (AVID Form)
☐ Agent notes no items for disclosure.
☒ Agent notes the following items: _____

Agent (Broker Representing Seller) KW Coastal Estates By: [Redacted] Date: 3/18/2021
 (Please Print) (Associate Licensee or Broker Signature)

IV. AGENT'S INSPECTION DISCLOSURE
 (To be completed only if the agent who has obtained the offer is other than the agent above.)
 THE UNDERSIGNED, BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY, STATES THE FOLLOWING:
☒ See attached Agent Visual Inspection Disclosure (AVID Form)
☐ Agent notes no items for disclosure.
☐ Agent notes the following items: _____

Agent (Broker Obtaining the Offer) [Redacted] By: [Redacted] Date: 4/1/2021
 (Please Print) (Associate Licensee or Broker Signature)

V. BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND/OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN BUYER AND SELLER(S) WITH RESPECT TO ANY ADVICE/INSPECTIONS/DEFECTS.
I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT.
 Seller: _____ Date: _____ Buyer: _____ Date: _____
 Seller: _____ Date: _____ Buyer: _____ Date: _____
 Agent (Broker Representing Seller) KW Coastal Estates By: _____ Date: _____
 (Please Print) (Associate Licensee or Broker Signature)
 Agent (Broker Obtaining the Offer) _____ By: _____ Date: _____
 (Please Print) (Associate Licensee or Broker Signature)

SECTION 1102.3 OF THE CIVIL CODE PROVIDES A BUYER WITH THE RIGHT TO RESCIND A PURCHASE CONTRACT FOR AT LEAST THREE DAYS AFTER THE DELIVERY OF THIS DISCLOSURE IF DELIVERY OCCURS AFTER THE SIGNING OF AN OFFER TO PURCHASE. IF YOU WISH TO RESCIND THE CONTRACT, YOU MUST ACT WITHIN THE PRESCRIBED PERIOD.
A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

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TDS REVISED 6/20 (PAGE 3 OF 3)

REAL ESTATE TRANSFER DISCLOSURE STATEMENT (TDS PAGE 3 OF 3)
Produced with Love Wolf Transactions (aPForm Editor) 231 Shearson Dr. Cambridge, Ontario, Canada N1T 1J6 www.loveform.com 12 Boardwalk

SPQ Page 2 - Item 7A - Defects in any of the following: "Systems"

Item 7 refers to "Structural, Systems and Appliance" -- Insulation is not specifically mentioned, but in this context it could be thought of as part of the heating or flooring system. This doesn't matter. There are others more specific that fit perfectly for fraud.

Property Address: 12 Bayview Rd, Castroville, CA 95012-9725

6. REPAIRS AND ALTERATIONS: **ARE YOU (SELLER) AWARE OF...**

A. Any alterations, modifications, replacements, improvements, remodeling or material repairs on the Property (including those resulting from Home Warranty claims) ☒ Yes ☐ No

B. Any alterations, modifications, replacements, improvements, remodeling, or material repairs to the Property done for the purpose of energy or water efficiency improvement or renewable energy? ☒ Yes ☐ No

C. Ongoing or recurring maintenance on the Property pool maintenance; solar panels pressure washed (for example, drain or sewer clean-out, tree or pest control service) ☒ Yes ☐ No

D. Any part of the Property being painted within the past 12 months ☒ Yes ☐ No

E. Whether the Property was built before 1978 ☒ Yes ☐ No

(a) If yes, were any renovations (i.e., sanding, cutting, demolition) of lead-based paint surfaces started or completed. ☒ Yes ☐ No

(b) If yes to (a), were such renovations done in compliance with the Environmental Protection Agency Lead-Based Paint Renovation Rule? ☒ Yes ☐ No

Explanation: Removal of Popcorn Ceiling and Paneling in all parts of house, painted inside and out, plumbing work throughout, (solar power add), floors replaced, stairs rebuilt, kitchen countertop replaced, as was sink/tile in kitchen

7. STRUCTURAL, SYSTEMS AND APPLIANCES: **ARE YOU (SELLER) AWARE OF...**

A. Defects in any of the following, (including past defects that have been repaired): heating, air conditioning, electrical, plumbing (including the presence of polybutylene pipes), water, sewer, waste disposal or septic system, sump pumps, well, roof, gutters, chimney, fireplace, foundation, crawl space, attic, soil, grading, drainage, retaining walls, interior or exterior doors, windows, walls, ceilings, floors or appliances ☒ Yes ☐ No

B. The leasing of any of the following on or serving the Property: solar system, water softener system, water purifier system, alarm system, or propane tank (s) ☒ Yes ☐ No

C. An alternative septic system on or serving the Property ☐ Yes ☒ No

Explanation: heating system repaired, electrical, plumbing, water all repaired, well pressure vessels replaced 6/2020 roof replaced 2016, chimney in need of repair (fire place works).

SPQ Page 4 - Item 17A - List of reports for representation - no additional reporting for insulation defects noted

The seller indicates he is going to provide reports for representation, and no additional reports noted for insulation defects.

NOTE: this document was signed 3/18/2021. That was two days after the MLS listing went live and 2 weeks prior to forming a contract with buyers.

17. OTHER:	ARE YOU (SELLER) AWARE OF...
A. Reports, inspections, disclosures, warranties, maintenance recommendations, estimates, studies, surveys or other documents, pertaining to (i) the condition or repair of the Property or any improvement on this Property in the past, now or proposed; or (ii) easements, encroachments or boundary disputes affecting the Property whether oral or in writing and whether or not provided to the Seller (If yes, provide any such documents in your possession to Buyer.)	☒ Yes ☐ No
B. Any occupant of the Property smoking any substance on or in the Property	☐ Yes ☒ No
C. Any past or present known material facts or other significant items affecting the value or desirability of the Property not otherwise disclosed to Buyer	☐ Yes ☒ No
Explanation: <u>Well/water reports, septic provided, pest report</u>	
18. ☒ (IF CHECKED) ADDITIONAL COMMENTS: The attached addendum contains an explanation or additional comments in response to specific questions answered "yes" above. Refer to line and question number in explanation. Seller represents that Seller has provided the answers and, if any, explanations and comments on this form and any attached addenda and that such information is true and correct to the best of Seller's knowledge as of the date signed by Seller. Seller acknowledges (i) Seller's obligation to disclose information requested by this form is independent from any duty of disclosure that a real estate licensee may have in this transaction; and (ii) nothing that any such real estate licensee does or says to Seller relieves Seller from his/her own duty of disclosure.	
Seller <u>Mark A. Forstein</u>	Micah A Forstein Date 3/18/2021

SPQ Page 4 - Item 17C - Material facts or defects affecting property not otherwise disclosed to Buyer

17. OTHER:	ARE YOU (SELLER) AWARE OF...
A. Reports, inspections, disclosures, warranties, maintenance recommendations, estimates, studies, surveys or other documents, pertaining to (i) the condition or repair of the Property or any improvement on this Property in the past, now or proposed; or (ii) easements, encroachments or boundary disputes affecting the Property whether oral or in writing and whether or not provided to the Seller (If yes, provide any such documents in your possession to Buyer.)	☒ Yes ☐ No
B. Any occupant of the Property smoking any substance on or in the Property	☐ Yes ☒ No
C. Any past or present known material facts or other significant items affecting the value or desirability of the Property not otherwise disclosed to Buyer	☐ Yes ☒ No
Explanation: <u>Well/water reports, septic provided, pest report</u>	
18. ☒ (IF CHECKED) ADDITIONAL COMMENTS: The attached addendum contains an explanation or additional comments in response to specific questions answered "yes" above. Refer to line and question number in explanation. Seller represents that Seller has provided the answers and, if any, explanations and comments on this form and any attached addenda and that such information is true and correct to the best of Seller's knowledge as of the date signed by Seller. Seller acknowledges (i) Seller's obligation to disclose information requested by this form is independent from any duty of disclosure that a real estate licensee may have in this transaction; and (ii) nothing that any such real estate licensee does or says to Seller relieves Seller from his/her own duty of disclosure.	
Seller <u>Mark A. Forstein</u>	Micah A Forstein Date 3/18/2021

SPQ Page 1 - Item 5J - Material facts or defects affecting property not otherwise disclosed to Buyer

The seller indicates yes, but does not address crawl space structural defects, prior flooding or insulation defects.

5. STATUTORILY OR CONTRACTUALLY REQUIRED OR RELATED:	ARE YOU (SELLER) AWARE OF...
A. Within the last 3 years, the death of an occupant of the Property upon the Property	☐ Yes ☒ No
B. An Order from a government health official identifying the Property as being contaminated by methamphetamine. (If yes, attach a copy of the Order.)	☐ Yes ☒ No
C. The release of an illegal controlled substance on or beneath the Property	☐ Yes ☒ No
D. Whether the Property is located in or adjacent to an "industrial use" zone	☐ Yes ☒ No
(In general, a zone or district allowing manufacturing, commercial or airport uses.)	
E. Whether the Property is affected by a nuisance created by an "industrial use" zone	☐ Yes ☒ No
F. Whether the Property is located within 1 mile of a former federal or state ordnance location	☐ Yes ☒ No
(In general, an area once used for military training purposes that may contain potentially explosive munitions.)	
G. Whether the Property is a condominium or located in a planned unit development or other common interest subdivision	☐ Yes ☒ No
H. Insurance claims affecting the Property within the past 5 years	☒ Yes ☐ No
I. Matters affecting title of the Property	☐ Yes ☒ No
J. Material facts or defects affecting the Property not otherwise disclosed to Buyer	☒ Yes ☐ No
K. Plumbing fixtures on the Property that are non-compliant plumbing fixtures as defined by Civil Code Section 1101.3	☐ Yes ☐ No
Explanation, or ☒ (if checked) see attached; <u>storm Damage of old fence now replaced. Best Internet 300Mbs</u>	
<u>Through Comcast cable.</u>	
Buyer's Initials BC HB Seller's Initials [Signature]	

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SPQ REVISED 6/18 (PAGE 1 OF 4)

SELLER PROPERTY QUESTIONNAIRE (SPQ PAGE 1 OF 4)

Tracy Travaille, Broker, PO Box 326 Pacific Grove CA 93950 Tracy Travaille	Phone: 8315216999 Produced with Lone Wolf Transactions (zipForm Edition) 231 Shearson Cr. Cambridge, Ontario, Canada N1T 1J5	Fax: 8886789838 www.lwolf.com	12 Boardwalk - 
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Pre-Sale Home Inspector - Failure to Disclose

Page 51 - Item 16 -- The Seller's Home Inspector failed to note insulation install defects.



WIN
HOME INSPECTION

Home Inspection Details

(Italicized comments also appear in the summary report)

Note: Vapor barriers prevent moisture from wet or damp soil conditions from evaporating in a manner which may cause microbial growth and/or wood damage when installed properly. Periodic inspections of the sub area for moisture and/or dampness is recommended.

9. **Proper Earth-Wood Clearance**
Yes
10. **Wood Members**
Satisfactory
11. **Pipe/Ducts**
Attention - damaged insulation
There were heat ducts with damaged insulation wrap. Appropriate repairs or replacement is recommended to prevent rust or corrosion of the metal duct work, and maintain proper insulation characteristics. Contact a qualified heating company for evaluations and/or repairs to the heat duct system.
12. **Evidence of Cracks - Stem Walls**
No
13. **Separation Over 1/4"**
No
14. **Sill Plate Anchors**
Verified
Anchor bolts are fasteners which connect wood framing to the concrete foundation. They limit the framings ability to move independently on the foundation in the event of an earthquake. The sill-plate anchors were located and verified to be in place at the time of the inspection. We recommend you contact an appropriate trade for evaluations or current seismic upgrades.
15. **Method of Inspection**
Head and Shoulders
16. **Insulation**
Batten insulation - damaged/fallen
There are fiberglass battens in the crawl through area which have fallen and are damaged. It is common for some battens to fall onto the soil over time. We recommend re-installing them as needed. If they have become wet or damaged they should be replaced with a like product.
17. **Pier Type and Condition**
Concrete piers and posts
There were no visible or significant issues visible to the concrete support piers or wood posts in the sub-structure. This inspection in no way is meant to evaluate the integrity of the structure. For a detailed evaluation of the structure, we recommend you contact an appropriate structure/soils specialist.
18. **Seismic Components Installed**
Recommended Upgrade
We recommend you contact an appropriate trade to discuss additional upgrades to the structure such as strapping of posts under the home. These upgrades would help the structure resist substantial damage due to an earthquake.

Slab Foundation

1. **Slab Foundation General Statement(s)**
Slab Foundation General Statement(s)
Note: A visual examination of the concrete slab foundation could not confirm the presence or absence of anchoring due to fully concealed framing by wall coverings. Seismic anchors help to resist significant movement of the structure due to seismic activity. If concerned, further invasive actions would be necessary to determine their existence.

Inspector: [REDACTED] 12 Brandon Rd, Sebastia, CA 95072 Phone: [REDACTED] 875

Inspector: [REDACTED] WIN Home Inspection, Inc. 1100 Main St, Sebastia, CA 95072

WIN Home Inspection

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Quote for Repairs

Contractor 1 - \$5,000

Bradford Terry is Contractor 1 / Price 1 ---- Plaintiff is Contractor 2 / Price 2 noted in Description of Work
Defendants are welcome to seek out their own quotes.

<https://home-Purchase-2021.bryancanary.com>
<https://inspector-complaints-2023.bryancanary.com>

Estimate for Repairs - Home Inspector Related Omissions / Frauds

HI 4b - Defects in Crawl Space - Insulation

The insulation in the crawl space rafters was installed upside down and away from the heated surface

Description of Work	Price	
Remove and dispose of 600 sf of R19 insulation		
Install R19 insulation , kraft paper one side, kraft paper up and against subfloor. Use insulation stays for installation.		
Dispose of Trash and Debris		
NOTE: I initially quoted \$2000 for this work.		
	\$ 5000.00	
Total	\$ 5000.00	

Date 5/15/24

Contractor Name Bradford Terry

Company Name "

Contractor License 928511

Contractor Signature Bradford Lynn Terry

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Contractor 2 - \$2,000

Plaintiff is a Contractor as well. . Plaintiffs provide a \$2,000 estimate. Defendants are welcome to seek out their own quotes.

APPENDIX - Other Crawl Related Frauds and Omissions

Seller's Inspector Photo (singular)

This is the only image the Seller's Inspector put in the details of the report for the crawl space.

The suggestion is the space is uninspectable and that's what caused a "head and shoulders" inspection.

Yet, he also completed the report stating they had done a sill plate bolt inspection, post and pier inspection, wood members inspection, pipe and duct inspection.



Home Inspection Details

(Italicized comments also appear in the summary report)

Exterior west side of home

2. **Access Size**
Satisfactory
3. **Clearance**
Satisfactory
4. **Inaccessible Areas**
Yes - Several Areas
Most of the sub-structure area were not visible due to excessive debris, trash, and moisture. Issues may exist; however, we cannot visually detect or access. Further investigations when access can be gain would be necessary to determine if any adverse conditions exist. Modifications will be necessary in order to gain access. Contact a qualified trade for possibly modifications and examinations.



5. **Debris/Trash**
Attention - rodents/trash
There is debris, trash, and evidence of rodents/pests under the structure which should be removed. There should be no storage of debris such as wood scraps, paper products, etc., in the crawl space in order to eliminate a source of food for pests or other health related issues.

The area photographed was only about 10% of the total space. The photo was framed to create an insincere impression of condition.

Buyers Inspector Photos - the crawl was accessible and numerous defects and facts needed to be called out.

The crawl had a gravity drain system in it. It was actually a very clever drain system that had been professionally installed. The Inspector did not realize what it was when he called it out. This ties into a professionally installed french drain system and is better than a sump with alarm.

6. Ventilation

Observations:

- Appeared adequate and correctly installed.
- **Recommend proper foundation pit at vents to prevent water migration.**



Indications of heavy water migration in areas.

Paul Murrer

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Murrer Certified Inspections

Bryan Canary

12 Bayview Road, Castroville, CA



Indications of past high water levels noted.

9. Foundation Perimeter

Observations:

- **High water line noted at perimeter of building. Recommend an extending downspouts and a sump pump to prevent further occurrences.**



High water line noted.

10. Drainage System

Observations:

- Unprofessional drain pipe installation noted. Recommend installing an alarmed sump pump with battery backup.



Potential drainage pit noted.



Makeshift drain noted.

Gravity Drain Pics

11/11/2024



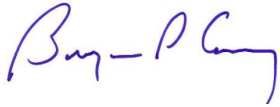


Revisions

11/19/2024 - added tds and spq refs, GC photos for floor - other - rearranged information

Verification

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct as of the last revision date or other date noted below.



Plaintiff

Date as of last revision date



Plaintiff

Date: as of last revision date