

## BALBOA ISLAND DISCLOSURE

Balboa Island has some features that may be unique to the Island. Among these features are:

1. Jets from John Wayne Airport overfly Balboa Island and other areas of the Bay. These jets may be a source of noise or jet fuel deposits.
2. Portions of Balboa Island were made from landfill.
3. Balboa Island is in a 100-year flood zone as the maps are currently written. Lenders will generally require flood insurance guaranteed by FEMA if a loan is taken on the property.
4. The City of Newport Beach has decided to insure that the seawall surrounding the Island be at a level of 9 feet above "mean high tide." To accomplish this, the City added a 9 inch cap to parts of the seawall surrounding the Big Island. The capping and seawall repair was paid for by Newport Beach's Tideland Fund with no homeowners assessments.
5. Eelgrass is found in much of the Bay and Grand Canal surrounding Balboa Island. California Coastal Commission regulations restrict dredging in dock areas where eelgrass is found unless proper mitigation measures are followed.
6. Short-term vacation rentals and yearly rentals are permitted on Balboa Island. Short term rentals require the property owner to obtain a license and pay a 10% "bed tax" to the City.
7. The boardwalk around the Big Island and Little Balboa Island is approximately 2.7 miles. Pedestrians and leashed pets only are permitted, no bicycles, skateboards, or motorized vehicles. Smoking is not permitted within 100 feet of any of the Island's beaches.
8. Telephone and other overhead utilities may be placed underground in the future on the Big Island. Before this would occur, a vote of homeowners in the neighborhood would take place. In the event a majority of homeowners favor undergrounding, an underground assessment district would be formed and homeowners would be assessed a pro-rata portion of the cost for undergrounding. Homeowners would also be responsible for paying to have their own utilities moved to ground level.
9. The West End of the Island from Agate Avenue to Collins Island has formed an underground assessment district. Future Buyers of homes in this district will receive an assessment.
10. In the event a Buyer is purchasing a home that contains a spa, or one in which a Buyer is contemplating installing a spa, the Buyer should ensure that the home is adequately stressed to accommodate a spa.
11. Mold and water intrusion are commonly found in homes in close proximity to the Harbor. Buyer is advised to investigate to have a reasonable assurance that these issues are not present or have been, or can be, remedied.

Buyer/Tenant Initials: \_\_\_\_\_

Seller/Owner Initials: \_\_\_\_\_

Abrams Coastal Properties urges the Buyer of any Balboa Island home to confirm the accuracy of these statements and their possible application to the home they are purchasing. Abrams Coastal Properties does not warranty any home and encourages the Buyer to hire inspectors of Buyer's choice for home inspection, pest inspection, mold inspection, drain line inspection, roof inspection or any other inspection that Buyer deems significant.

Seller: \_\_\_\_\_  
Date: \_\_\_\_\_

Buyer/Tenant: \_\_\_\_\_  
Date: \_\_\_\_\_

Seller: \_\_\_\_\_  
Date: \_\_\_\_\_

Buyer/Tenant: \_\_\_\_\_  
Date: \_\_\_\_\_