

ADDENDUM NO. 4
MSGG EL DORADO REALTY PARTNERS, L.L.C.
DISCLOSURE AND BUYER ACKNOWLEDGMENT REGARDING
MOLD AND INDOOR ENVIRONMENTAL QUALITY

The undersigned Buyer(s) ("*Buyer*") is purchasing residential Condominium Unit No. _____ of the El Dorado Lofts ("*Property*") being developed by MSGG EL DORADO REALTY PARTNERS, L.L.C., a Delaware limited liability company ("*Seller*").

There are many different types of indoor environmental contaminants such as pet dander, dust mites and mold. Molds and other potential contaminants have been a part of our environment for millions of years. Contaminants are everywhere - indoors and outdoors. Therefore, everyone is exposed to some contaminants on a daily basis without evident harm. Due to a number of factors, including the fact that sensitivities to various types of molds and other potential contaminants vary from person to person, there are no state or federal standards concerning acceptable levels of exposure to mold. According to the Consumer Product Safety Commission and the American Lung Association, some diseases or illnesses have been linked with biological pollutants in the indoor environment, including some forms of mold. However, many of these conditions also have causes unrelated to the indoor environment. Therefore, it is unknown how many potential health problems relate exclusively to poor indoor air. You should determine for yourself whether you, your family members or any other individuals who will occupy or use the home have special needs or increased risk to these conditions. **YOU SHOULD CAREFULLY MONITOR THE CONDITIONS IN YOUR UNIT FOR MOLD GROWTH AND OTHER CONTAMINANTS.**

OVER THE COURSE OF ITS HISTORY, THE EL DORADO BUILDING HAS HAD MANY USES, HAS SUFFERED FROM, WATER DAMAGE AND NEGLECT, AND BEEN SUBJECT TO THE GROWTH OF MOLD. DURING THE APPROXIMATELY 16 YEAR PERIOD FROM 1998 UNTIL 2005, THE BUILDING WAS LEGALLY CLOSED AND WAS NOT IN USE. THE SECOND THROUGH TWELFTH FLOORS HAVE NOW BEEN REHABILITATED AS RESIDENTIAL LOFTS AND ANY MOLD DISCOVERED IN THE REHABILITATION PROCESS HAS BEEN REMOVED AND REMEDIATED IN ACCORDANCE WITH APPLICABLE CODE REQUIREMENTS. OWNERS OF THE RESIDENTIAL UNITS SHOULD BE WATCHFUL AND CAREFUL TO PREVENT THE RECURRENCE OF MOLD GROWTH IN THEIR UNITS.

BUYER AGREES TO ASSUME THE RISKS OF PURCHASING AND OCCUPYING A RESIDENTIAL UNIT IN THIS BUILDING WITH ITS LONG HISTORY OF USE AND PERIODS OF DISUSE AND DISREPAIR AS DESCRIBED ABOVE.

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WHAT IS MOLD? Mold is a type of fungus, which occurs naturally in the environment and is necessary for the natural decomposition of plant and other organic material. It spreads by means of microscopic spores borne on the wind, and is found everywhere life can be supported.

Construction is not, and cannot be, designed to exclude mold spores. If the growing conditions are right, mold can grow in any structure. Most people are familiar with mold growth in the form of bread mold and mold that may grow on bathroom tile. In order to grow, mold requires a food source. This might be supplied by items found in buildings, such as fabric, carpet or even wallpaper, or by building materials, such as drywall, wood and insulation, to name a few. Also, mold growth requires a temperate climate. The best growth occurs at temperatures between 40°F and 100°F. Finally, mold growth requires moisture. Moisture is the only mold growth factor that can be controlled. By minimizing moisture, mold growth can be reduced or eliminated. Moisture in buildings can have many causes. Spills, leaks, overflows, condensation, and high humidity are common sources of moisture. Good cleaning and maintenance practices are essential in the effort to prevent or eliminate mold growth. If moisture is allowed to remain on the growth medium, mold can develop within 24 to 48 hours.

SHOULD I BE CONCERNED ABOUT MOLD? All mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. The most common effects are allergic reactions, including skin irritation, watery eyes, runny nose, coughing, sneezing, congestion, sore throat and headache. Individuals with suppressed immune systems may risk infections. Some experts contend that mold causes serious symptoms and diseases which may even be life threatening. However, experts disagree about the level of mold exposure that may cause health problems, and about the exact nature and extent of the health problems that may be caused by mold. The Center for Disease Control states that a causal link between the presence of toxic mold and serious health conditions has not been proven.

WHAT OWNERS CAN DO. Owners can take positive steps to reduce or eliminate the occurrence of mold growth in their property, and thereby minimize any possible adverse effects that may be caused by mold. The steps include the following:

1. Before bringing items into the building, check for signs of mold. Potted plants (roots and soil), furnishings, or stored clothing and bedding material, as well as many other household goods, could already contain mold growth.
2. Regular vacuuming and cleaning will help reduce mold levels. Mild bleach solutions and most tile cleaners are effective in eliminating or preventing mold growth.
3. Keep the humidity in the building low. Vent clothes dryers to the outdoors, if possible. Ventilate kitchens and bathrooms by opening the windows, by using exhaust fans, or by running the air conditioning to remove excess moisture in the air, and to facilitate evaporation of water from wet surfaces.
4. Promptly clean up spills, condensation and other sources of moisture. Thoroughly dry any wet surfaces or material. Do not let water pool or stand in inside the building. Promptly replace any materials that cannot be thoroughly dried, such as drywall or insulation.
5. Inspect for leaks on a regular basis. Look for discolorations or wet spots. Repair any leaks promptly. Inspect condensation pans (refrigerators and air conditions) for mold growth. Take notice of musty odors, and any visible signs of mold.

6. Should mold develop, thoroughly clean the affected area with a mild solution of bleach. First, test to see if the affected material or surfaces is color safe. Porous materials, such as fabric, upholstery or carpet should be discarded. Should the mold growth be severe, call the services of a qualified professional cleaner. A copy of an information sheet prepared by the California Department of Health Services is available from the following website.

<http://www.dhs.ca.gov/ps/deodc/ehib/EHIB2/topics/Moldhome%20Eng.html> Whether or not Buyer experiences mold growth depends largely on how Buyer manages and maintains Buyer's property. Buyer must take actions to prevent conditions that cause the mold or mildew. This is part of the responsibility of property ownership. BUYER AGREES TO ASSUME THE RESPONSIBILITY FOR FOLLOWING THE RECOMMENDATIONS SET FORTH ABOVE AND IN THE MOLD INFORMATION SHEET. BUYER FURTHER ACKNOWLEDGES THAT IF THERE IS ANY WATER DAMAGE OR WATER INTRUSION TO THE UNIT, BUYER WILL TAKE IMMEDIATE ACTION TO PREVENT CONDITIONS WHICH CAUSE MOLD OR MILDEW TO DEVELOP.

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BUYER ACKNOWLEDGES AND AGREES THAT THE SELLER WILL NOT BE LIABLE FOR ANY ACTUAL, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES BASED ON ANY LEGAL THEORY WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, STRICT LIABILITY, BREACH OF EXPRESS OR IMPLIED WARRANTY, NEGLIGENCE OR ANY OTHER LEGAL THEORY WITH RESPECT TO THE PRESENCE AND/OR EXISTENCE OF MOLDS, MILDEW AND/OR MICROSCOPIC SPORES UNLESS CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF SELLER

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BUYER, ON BEHALF OF ITSELF AND ITS FAMILY MEMBERS, TENANTS, INVITEES AND LICENSEES, HEREBY RELEASES SELLER AND SELLER'S OFFICERS, DIRECTORS, PARTNERS, MEMBERS SUCCESSORS AND ASSIGNS FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, DAMAGES, CAUSES OF ACTION, LIABILITIES AND EXPENSES (INCLUDING WITHOUT LIMITATION, ATTORNEYS FEES AND COSTS AND COSTS OF ENFORCING THIS INDEMNITY) FOR PROPERTY DAMAGE, INJURY OR DEATH RESULTING FROM THE EXPOSURE TO MICROSCOPIC SPORES, MOLD AND/OR MILDEW AND FROM ANY LOSS OF RESALE VALUE DUE TO THE PRESENCE AND/OR EXISTENCE OF MOLD, MILDEW AND/OR MICROSCOPIC SPORES, PROVIDED, HOWEVER, THAT IN NO EVENT IS BUYER RELEASING SELLER AS A RESULT OF THE PRESENCE AND/OR EXISTENCE OF MOLD, MILDEW AND/OR MICROSCOPIC SPORES IF CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF SELLER. IT IS THE RESPONSIBILITY OF BUYER TO ENSURE THAT ALL NECESSARY PRECAUTIONS TO PREVENT MOLD FROM BECOMING A PROBLEM IN THE UNIT HAVE BEEN IMPLEMENTED.

ACKNOWLEDGEMENT:

I/we understand and acknowledge the potential for occurrence of mold and hereby release Seller from any property damage, injury or death that could result from the exposure to mold.

BUYER

DATE

BUYER

DATE