



Priority Title

11249 Gold Country Boulevard, Suite 155
Gold River, CA 95670

Tony Munoz
Lennar Title Company
601 Court Street601 Court St
WoodlandWoodland, CA 95695
Customer Reference: 155504-008763

Lender:

Loan Number:
Phone: (530)665-4700

Order Number:	G-126318
Title Officer:	Mark Pilatti (MP)
Phone:	(916)340-2201
Fax No.:	(951)200-4413
E-Mail:	mpilatti@prioritytitle.biz
Buyer:	TBD
Owner:	The Bhullar Family Trust
Property:	8165 and 8169 State Highway 99 East Los Molinos, California 96055-9578

In response to the above referenced application for a policy of title insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a **Westcor Land Title Insurance Company** Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage of said Policy or Policies are set forth in Exhibit A attached. Copies of the Policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of January 15, 2026 at 7:30 A.M.

The form of Policy of title insurance contemplated by this report is:

ALTA Extended Owner Policy

A specific request should be made if another form or additional coverage is desired.

Title to said estate or interest at the date hereof is vested in:

Balwinder Singh and Kamaljit Kaur, as Trustee(s) or their successor(s) in The Bhullar Family Trust dated April 2, 2014, and any amendments

The estate or interest in the land hereinafter described or referred to covered by this Report is:

Fee Simple

The Land referred to herein is described as follows:

(See attached Legal Description)

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. General and special taxes and assessments for the fiscal year 2026-2027, a lien not yet due or payable.
2. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
3. Ownership of, or rights to, minerals or other substances, subsurface and surface, of whatsoever kind, including, but not limited to coal, ores, metals, lignite, oil, gas, geothermal resources, brine, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether the ownership or rights arise by lease, grant, exception, conveyance, reservation or otherwise, and whether or not appearing in the Public Records or listed in Schedule B. The Company and its issuing agent make no representation as to the present ownership of any such interests. There may be leases, grants, exceptions, or reservations of interests that are not listed.
4. Water rights, claims or title to water, whether or not shown by the Public Records.
5. Easements of rights of way over and across said lands for pole line, ditches and also highway for telephone, telegraph and power lines, all common to the subdivisions of the Los Molinos Land Company, and rights of way as shown on the Map of the property hereinafter referred to.
6. Rights of the public in and to that portion of the Land lying within Reeves Street and Highway 99E.

7. Section 12956.1 of the Government Code provides the following: If any document contains any restrictions based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, genetic information, gender, gender identity, gender expression, source of income (as defined by California Government Code 12955-P), or ancestry, that said restriction violates State and Federal Fair Housing Laws and is therefore void, and may be removed pursuant to Section 12956.1 of the Government Code. Lawful restrictions under State and Federal Law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
8. Full copies of all unrecorded leases affecting the land.
9. Our examination of the record title to the herein described land did not disclose any existing loans. We therefore request an Affidavit be completed and returned confirming there are no outstanding encumbrances against said land.

Please have the attached Affidavit completed and returned to your Title Officer.

The Company reserves the right to require further evidence to confirm that the property is unencumbered, and further reserves the right to make additional requirements or add additional items or exceptions upon receipt of the requested evidence.

10. With respect to THE BHULLAR FAMILY TRUST DATED APRIL 2, 2014 :
 - a. A certification pursuant to Section 18100.5 of the California Probate Code in a form satisfactory to the Company.
 - b. Copies of those excerpts from the original trust documents and amendments thereto which designate the trustee and confer upon the trustee the power to act in the pending transaction.
 - c. Other requirements which the Company may impose following its review of the material required herein and other information which the Company may require.
11. The company will require the property owner to complete an Owners Affidavit and Indemnity form prior to the close of escrow.

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of Tehama, State of California, described as follows:

Parcel One:

Beginning at the Northeast corner of Lot 16, [Subdivision No. 10 of the Los Molinos Land Company](#), as the same is shown on a Map filed in the Office of the County Recorder of the County of Tehama, State of California, July 18, 1914 in Book F of Maps, at Page 12, thence along the Northerly boundary of said Lot 16 South 89 deg 53' West 460.7 feet to a point, thence South 0 deg 07' East 283.66 feet to a point, thence North 89 deg 53' East 460.7 feet to a point, thence North 0 deg 07' West 281.66 feet to the point of beginning.

Excepting therefrom the following described parcel; beginning at the Northeast corner of said Lot 16, thence South 89 deg 53' West 31.85 feet, more or less, to the Westerly right-of-way marker of State Highway 99E, thence continuing South 89 deg 53' West 155.0 feet to a point, thence South 0 deg 07' East 20.00 feet to a 1/2" by 18" iron pipe. Thence continuing South 0 deg 07' East an additional 121.0 feet to a 1/2" by 18" iron pipe, thence North 89 deg 53' East 155.00 feet to a 1/2" by 18" iron pipe on the Westerly Right-of-way of State Highway 99E, thence continuing North 89 deg 53' East 31.85 feet, more or less to the Easterly boundary of Lot 16, thence North 0 deg 07' West 141.0 feet to the point of beginning.

Parcel Two:

A portion of Lot 16, [Subdivision No. 10 of the Los Molinos Land Company](#), as the same is shown on the Map filed in the Office of the County Recorder of the County of Tehama, State of California, July 18, 1914 in Book F of Maps at Page 12, described as follows:

Beginning at the Northeast corner of said Lot 16, thence South 89 deg 53' West 31.85 feet, more or less, to the Westerly right-of-way marker of State Highway 99E, thence continuing South 89 deg 53' West 155.0 feet to a point, thence South 0 deg 07' East 20.00 feet to a 1/2" by 18" iron pipe. Thence continuing South 0 deg 07' East an additional 121.0 feet to a 1/2" by 18" iron pipe, thence North 89 deg 53' East 155.00 feet to a 1/2" by 18" iron pipe on the Westerly right-of-way of State Highway 99E, thence continuing North 89 deg 53' East 31.85 feet, more or less to the Easterly boundary of Lot 16, thence North 0 deg 07' West 141.0 feet to the point of beginning.

APN: [078-290-020-000](#) and [078-290-021-000](#)

INFORMATIONAL NOTES

1. General and special taxes and assessments for the fiscal year [2025-2026](#).

First Installment:	\$1,053.62, Paid
Penalty:	\$0.00
Second Installment:	\$1,053.62, Paid
Penalty:	\$0.00
Tax Rate Area:	082001
A. P. No.:	078-290-020-000

2. General and special taxes and assessments for the fiscal year [2025-2026](#).

First Installment:	\$596.97, Paid
Penalty:	\$0.00
Second Installment:	\$596.97, Paid
Penalty:	\$0.00
Tax Rate Area:	082001
A. P. No.:	078-290-021-000

3. This report is preparatory to the issuance of an ALTA Loan Policy. We have no knowledge of any fact which would preclude the issuance of the policy with CLTA endorsement forms 100 and 116 and if applicable, 115 and 116.2 attached.

When issued, the CLTA endorsement form 116 or 116.2, if applicable will reference a(n) Commercial Structure known as 8165 and 8169 State Highway 99 East, Los Molinos, CA 96055-9578.

4. According to the public records, there has been no conveyance of the land within a period of twenty four months prior to the date of this report, except as follows:

A document recorded March 18, 2025 as Instrument No. [2025002002](#) of Official Records.

From:	Manuel Hernandez Guerra aka Manuel H. Guerra, and Guadalupe Solis Guera aka Guadalupe S. Guerra, husband and wife, as joint tenants,
To:	Manuel Hernandez Guerra, Guadalupe Solis Guerra, and Carmelita Rose Medina Silva, Trustees of the Guerra Solis Family Trust dated March 18, 2025, and any amendments thereto

A document recorded January 16, 2026 as Instrument No. [2026000532](#) of Official Records.

From:	Manuel Hernandez Guerra, Guadalupe Solis Guerra, and Carmelita Rose Medina Silva, Trustees of the Guerra Solis Family Trust dated March 18, 2025
To:	Balwinder Singh and Kamaljit Kaur, as Trustee(s) or their successor(s) in The Bhullar Family Trust dated April 2, 2014, and any amendments

NOTE to proposed insured lender only: No Private transfer fee covenant, as defined in Federal Housing Finance Agency Final Rule 12 CFR Part 1228, that was created and first appears in the Public Records on or after February 8, 2011, encumbers the Title except as follows: None

The map attached, if any, may or may not be a survey of the land depicted hereon. Westcor Land Title Insurance Company expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.



Priority Title Company

11249 Gold Country Boulevard, Suite 155, **Gold River, CA 95670**

(916)340-2201 - **Fax**

Wire Transfer Instructions

To

Priority Title Company

Receiving Bank:

Open Bank
1000 Wilshire Blvd. Suite 100
Los Angeles, CA 90017

Account Name:

ABA 122043958
Priority Title
Account No. XXXXXXXXXXXX
Please contact your Title Unit for the account
number.

PLEASE REFERENCE:

Title Order Number and Title Officer

This information MUST be included in wire text.

Special Note:

PLEASE WIRE THE DAY BEFORE RECORDING.
ALSO, NOTIFY THE TITLE OFFICER OF YOUR INTENT TO WIRE.

THANK YOU

STATEMENT OF INFORMATION

Priority Title & Escrow maintains procedural safeguards that comply with federal standards to protect the confidentiality and security of non-public personal information. This statement will serve to establish identity, eliminate matters affecting person of similar name, protect you against forgeries, and speed the completion of your title and escrow services.

COMPLETION OF THIS FORM WILL EXPEDITE YOUR ORDER AND WILL HELP PROTECT YOU.

Confidential information to be used in conjunction with order no. G-126318

NAME

FIRST	MIDDLE	LAST
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BIRTHPLACE	YEAR OF BIRTH	SOCIAL SECURITY NUMBER	I HAVE LIVED IN CALIFORNIA SINCE
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FIRST	MIDDLE	LAST
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BIRTHPLACE	YEAR OF BIRTH	SOCIAL SECURITY NUMBER	I HAVE LIVED IN CALIFORNIA SINCE
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WE WERE MARRIED ON ____/____/____ AT _____ SPOUSE'S MAIDEN NAME _____

MY DRIVER'S LICENSE NUMBER (STATE) _____ MY SPOUSE'S DRIVER'S LICENSE NUMBER (STATE) _____

RESIDENCE(S) FOR LAST 10 YEARS

NUMBER AND STREET	CITY	FROM	TO
-------------------	------	------	----

NUMBER AND STREET	CITY	FROM	TO
-------------------	------	------	----

NUMBER AND STREET	CITY	FROM	TO
-------------------	------	------	----

NUMBER AND STREET	CITY	FROM	TO
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OCCUPATION(S) FOR LAST 10 YEARS

SPOUSE

PRESENT OCCUPATION	FIRM NAME	ADDRESS	NO. YEARS
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PRESENT OCCUPATION	FIRM NAME	ADDRESS	NO. YEARS
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SPOUSE

PRESENT OCCUPATION	FIRM NAME	ADDRESS	NO. YEARS
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PRESENT OCCUPATION	FIRM NAME	ADDRESS	NO. YEARS
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FORMER MARRIAGES

IF NO FORMER MARRIAGES, WRITE "NONE" _____

NAME OF THE FORMER SPOUSE	DECEASED ()	DIVORCED ()	DATE FINAL	WHERE
---------------------------	--------------	--------------	------------	-------

NAME OF THE FORMER SPOUSE	DECEASED ()	DIVORCED ()	DATE FINAL	WHERE
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THE STREET ADDRESS OF THE PROPERTY IN THIS TRANSACTION IS: _____

SIGNATURE _____ DATE ____/____/____

SIGNATURE _____ DATE ____/____/____

(_____)
HOME TELEPHONE

(_____)
BUSINESS PHONE

PURPOSE OF THIS FORM

It is necessary to fill out this form completely, as the information contained herein will assist us to process your escrow more accurately and avoid timely delays. The growing population of California has greatly affected the processing of real estate transactions, in that there are many people with names that are the same or similar to your own. When the title company searches the title of the property in this escrow, they want to make sure that there are no judgments, bankruptcies, income tax liens or any other situation that may effect you or the property. The information on this form allows them to reject all matters that do not effect you. The undersigned declare, under penalty of perjury, that the foregoing is true and correct.

NOTICE I

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

If you have any questions about the effect of this new law, please contact your local First American Office for more details.

NOTICE II

As of January 1, 1991, if the transaction which is the subject of this report will be a sale, you as a party to the transaction, may have certain tax reporting and withholding obligations pursuant to the state law referred to below:

In accordance with Sections 18662 and 18668 of the Revenue and Taxation Code, a buyer may be required to withhold an amount equal to three and one-third percent of the sales price in the case of the disposition of California real property interest by either:

1. A seller who is an individual with a last known street address outside of California or when the disbursement instructions authorize the proceeds be sent to a financial intermediary of the seller, OR
2. A corporate seller which has no permanent place of business in California.

The buyer may become subject to penalty for failure to withhold an amount equal to the greater of 10 percent of the amount required to be withheld or five hundred dollars (\$500).

However, notwithstanding any other provision included in the California statutes referenced above, no buyer will be required to withhold any amount or be subject to penalty for failure to withhold if:

1. The sales price of the California real property conveyed does not exceed one hundred thousand dollars (\$100,000), OR
2. The seller executes a written certificate, under the penalty of perjury, certifying that the seller is a resident of California, or if a corporation, has a permanent place of business in California, OR
3. The seller, who is an individual, executes a written certificate, under the penalty of perjury, that the California real property being conveyed is the seller's principal residence (as defined in Section 1034 of the Internal Revenue Code).

The seller is subject to penalty for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding requirement.

The California statutes referenced above include provisions which authorize the Franchise Tax Board to grant reduced withholding and waivers from withholding on a case-by-case basis.

The parties to this transaction should seek an attorney's, accountant's, or other tax specialist's opinion concerning the effect of this law on this transaction and should not act on any statements made or omitted by the escrow or closing officer.

The Seller May Request a Waiver by Contacting:
Franchise Tax Board
Withhold at Source Unit
P.O. Box 651
Sacramento, CA 95812-0651
(916) 845-4900

**EXHIBIT A
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (BY POLICY TYPE)**

**1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990
SCHEDULE B**

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notice of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable "doing business" laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by their policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

**2. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970
SCHEDULE OF EXCLUSIONS FROM COVERAGE**

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law, ordinance or governmental regulation.
2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy.

3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

**3. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970
WITH REGIONAL EXCEPTIONS**

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 2 above are used and the following exceptions to coverage appear in the policy.

SCHEDULE B

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following:

Part One

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

**4. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970
WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE
SCHEDULE OF EXCLUSIONS FROM COVERAGE**

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law ordinance or governmental regulation.
2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant, (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy or acquired the insured mortgage and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder, (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy (except to the extent insurance is afforded herein as to any statutory lien for labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy).
4. Unenforceability of the lien of the insured mortgage because of failure of the insured at Date of Policy or of any subsequent owner of the indebtedness to comply with applicable "doing business" laws of the state in which the land is situated.

**5. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970
WITH REGIONAL EXCEPTIONS**

When the American Land Title Association Lenders Policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy, the exclusions set forth in paragraph 4 above are used and the following exceptions to coverage appear in the policy.

SCHEDULE B

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following:

Part One

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

**6. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992
WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy;
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy); or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable "doing business" laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
 - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

**7. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992
WITH REGIONAL EXCEPTIONS**

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 6 above are used and the following exceptions to coverage appear in the policy.

SCHEDULE B

Priority Title

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

8. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
(a) created, suffered, assumed or agreed to by the insured claimant;
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
(c) resulting in no loss or damage to the insured claimant;
(d) attaching or created subsequent to Date of Policy; or
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
(i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
(ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
(a) to timely record the instrument of transfer; or
(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

9. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 8 above are used and the following exceptions to coverage appear in the policy.

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

Part One:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.

3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

**10. AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL
TITLE INSURANCE POLICY - 1987
EXCLUSIONS**

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:

- | | |
|----------------------------|----------------------------|
| * land use | * land division |
| * improvements on the land | * environmental protection |

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:

- * a notice of exercising the right appears in the public records on the Policy Date
- * the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking.

3. Title Risks:

- * that are created, allowed, or agreed to by you
- * that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
- * that result in no loss to you
- * that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4. Failure to pay value for your title.

5. Lack of a right:

- * to any land outside the area specifically described and referred to in Item 3 of Schedule A, or
- * in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.