

TITLE RESOURCES GUARANTY COMPANY

450 EXCHANGE, SUITE 200
IRVINE, CA 92602
PHONE: (856) 914-3877
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UPDATED ON 5/25/2021

DATED AS OF MAY 14, 2021 AT 7:30 A.M.

CORNERSTONE TITLE COMPANY
506 N. SANTA CRUZ AVENUE
LOS GATOS, CA 95030

YOUR NO.: 3630419-07163
PROPERTY ADDRESS: 1550 TINDALL RANCH
ROAD, CORRALITOS, CA 95076 AND APN: 106-
081-18

ATTENTION: CHARLENE RAMOS
PHONE: (408)354-0502
EMAIL: CHARLENE.RAMOS@CSTITLECO.COM

ORDER NO.: 4660219-01059
TITLE OFFICER: RHONDA K. DOBSON
EMAIL: Irvine02@trgc.com

"PRELIMINARY REPORT"

IN RESPONSE TO THE ABOVE REFERENCED APPLICATION FOR A POLICY OF TITLE INSURANCE, **Title Resources Guaranty Company** HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED, AS OF THE DATE HEREOF, A 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 B ATTACHED. THE POLICY TO BE ISSUED MAY CONTAIN AN ARBITRATION CLAUSE. WHEN THE AMOUNT OF INSURANCE IS LESS THAN THAT SET FORTH IN THE ARBITRATION CLAUSE, ALL ARBITRABLE MATTERS SHALL BE ARBITRATED AT THE OPTION OF EITHER THE COMPANY OR THE INSURED AS THE EXCLUSIVE REMEDY OF THE PARTIES. LIMITATIONS ON COVERED RISKS APPLICABLE TO THE CLTA AND ALTA HOMEOWNER'S POLICIES OF TITLE INSURANCE WHICH ESTABLISH A DEDUCTIBLE AMOUNT AND A MAXIMUM DOLLAR LIMIT OF LIABILITY FOR CERTAIN COVERAGES ARE SET FORTH IN THE POLICY. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE THAT ISSUED THIS REPORT.

PLEASE READ THE EXCEPTIONS SHOWN OR REFERRED TO BELOW AND THE EXCEPTIONS AND EXCLUSIONS SET FORTH IN EXHIBIT B 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.

THE FORM OF POLICY OF TITLE INSURANCE CONTEMPLATED BY THIS REPORT IS:

ALTA/CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE, IF APPLICABLE, OR
CLTA/ALTA STANDARD OWNER'S POLICY; AND/OR
ALTA LOAN POLICY, IF APPLICABLE, OR CLTA STANDARD LOAN POLICY

A SPECIFIC REQUEST SHOULD BE MADE IF ANOTHER FORM OR ADDITIONAL COVERAGE IS DESIRED.

SCHEDULE A

THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE AS TO PARCELS I AND II, AN EASEMENT AS TO PARCELS I(A), II(A), II(B) AND II(C).

TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

ZENCOSMO INC., A CALIFORNIA CORPORATION

THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL I:

BEING A PART OF SECTIONS 24 AND 25 IN TOWNSHIP 10 SOUTH, RANGE 1 EAST, MOUNT DIABLO BASE AND MERIDIAN AND MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS, TO WIT:

BEGINNING AT AN OLD 2 INCH BY 4 INCH MARKED "J" AND "T" STANDING ON AN OPEN RIDGE AT THE NORTHEAST CORNER OF LAND CONVEYED BY HOMER E. JENSEN AND LEONA JENSEN MILLER, HIS DAUGHTER, BY DEED DATED MAY 8, 1953 AND RECORDED MAY 12, 1953 IN VOLUME 913, PAGE 412, SANTA CRUZ COUNTY RECORDS, AND FROM WHICH A NAIL IN A SCRIBED CIRCLE ON A 12 INCH OAK BEARS NORTH 47° 34' WEST, 7.68 FEET DISTANT; THENCE RUNNING NORTH, AT 358.83 FEET AN IRON PIPE, AT 782.71 FEET AN IRON PIPE, AT 1230.67 FEET AN IRON PIPE, AT 1499.41 FEET AN IRON PIPE, A TOTAL DISTANCE OF 1621.52 FEET TO A 1/2 INCH IRON PIPE FROM WHICH A NAIL IN A SCRIBED CIRCLE ON A 18 INCH REDWOOD TREE BEARS SOUTH 10° 54' WEST, 15.32 FEET DISTANT AND A NAIL IN A SCRIBED CIRCLE ON A 8 INCH DOUBLE REDWOOD BEARS SOUTH 46° 06' WEST, 7.89 FEET DISTANT; THENCE SOUTH 80° 37' WEST, 617.00 FEET TO A 1/2 INCH PIPE FROM WHICH A NAIL IN A SCRIBED CIRCLE ON A 16 INCH OAK BEARS SOUTH 34° 22' EAST, 14.67 FEET DISTANT; THENCE NORTH 89° 26' WEST, 400.73 FEET TO A 1/2 INCH PIPE FROM WHICH A NAIL IN A SCRIBED CIRCLE ON A 24 INCH REDWOOD BEARS NORTH 39° 57' WEST, 9.68 FEET DISTANT AN A NAIL IN A CIRCLE ON A 36 INCH BURNT REDWOOD TREE BEARS SOUTH 83° 13' WEST, 15.15 FEET DISTANT; THENCE SOUTH 21° 14' WEST, 506.54 FEET TO A 1/2 INCH PIPE FROM WHICH A NAIL IN A CIRCLE ON A 20 INCH REDWOOD TREE BEARS SOUTH 83° 00' EAST, 12.20 FEET DISTANT; THENCE SOUTH 12° 58' WEST, 482.77 FEET TO A 1/2 INCH PIPE FROM WHICH A NAIL, IN A CIRCLE ON A 7 INCH MADRONE TREE BEARS NORTH 59° 48' EAST, 4.79 FEET DISTANT; THENCE SOUTH 17° 48' WEST, 224.72 FEET TO A 1/2 INCH PIPE FROM WHICH A NAIL IN A CIRCLE ON AN 18 INCH DOUBLE REDWOOD BEARS SOUTH 70° 30' EAST, 18.59 FEET DISTANT; THENCE SOUTH 15° 52' WEST, 118.69 FEET TO A 1/2 INCH PIPE FROM WHICH A NAIL IN A SCRIBED CIRCLE ON TOP OF A 25 INCH REDWOOD STUMP BEARS SOUTH 77° 15' EAST, 5.13 FEET DISTANT; THENCE SOUTH 18° 29' WEST, 215.0 FEET, A LITTLE MORE OR LESS, TO THE NORTHERLY BOUNDARY OF SAID FIRST ABOVE MENTIONED LANDS; THENCE ALONG SAID BOUNDARY THE FOLLOWING COURSES AND DISTANCES: SOUTH 37° 30' EAST, 450.0 FEET, A LITTLE MORE OR LESS, TO AN ANGLE; NORTH 73° 45' EAST, 248.82 FEET TO AN ANGLE; NORTH 59° 45' EAST, 240.90 FEET TO AN ANGLE; NORTH 66° 30' EAST, 178.20 FEET TO AN ANGLE; NORTH 81° 00' EAST, 145.20 FEET TO AN ANGLE; NORTH 87° 45' EAST, 240.24 FEET TO AN ANGLE; AND NORTH 86° 15' EAST, 199.32 FEET TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM ALL PETROLEUM EXISTING IN LANDS AND THE RIGHT TO ENTER THEREON TO MINE FOR THE SAME, AS RESERVED IN THE DEED FROM WATSONVILLE MILL AND LUMBER COMPANY, A CORPORATION, TO JAMES DEVOE, RECORDED JANUARY 31, 1884 IN VOLUME 40 OF DEEDS, PAGE 274, SANTA CRUZ COUNTY RECORDS.

ALSO EXCEPTING THEREFROM 1/2 OF ALL MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AS RESERVED IN THE DEED FROM WELDON A. TINDALL, ET UX., TO LYLE K. BAKER, ET UX., RECORDED APRIL 20, 1956 IN VOLUME 1070, PAGE 411, SANTA CRUZ COUNTY RECORDS.

FURTHER EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL OF LAND AS GRANTED TO PATTI SUE NEOLA IN GRANT DEED RECORDED MAY 31, 1967 IN BOOK 1821, PAGE 66, SANTA CRUZ COUNTY RECORDS.

BEING A PORTION OF THE LANDS CONVEYED TO JACK P. WENDT, ET UX., BY DEED RECORDED IN VOLUME 1178, PAGE 488, SANTA CRUZ COUNTY RECORDS, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EASTERLY LINE OF SAID LANDS OF WENDT, WITH THE CENTERLINE OF THE EXISTING ROAD, APPROXIMATELY 10 FEET WIDE, SAID POINT OF INTERSECTION BEING SOUTH 0° 18' WEST, 294.61 FEET FROM THE NORTHEASTERLY CORNER OF SAID LANDS OF WENDT; THENCE FROM SAID POINT OF BEGINNING ALONG SAID EASTERLY LINE, SOUTH 0° 18' WEST, 473.70 FEET TO A POINT ON THE CENTERLINE OF SAID EXISTING ROAD; THENCE LEAVING SAID EASTERLY LINE AND WESTERLY 140 FEET ALONG SAID CENTERLINE TO A POINT; AND THENCE NORTHEASTERLY CONTINUING ALONG SAID CENTERLINE TO THE POINT OF BEGINNING.

PARCEL I (A):

TOGETHER WITH A RIGHT OF WAY LEADING FROM THE LAND HEREINABOVE DESCRIBED TO THE EUREKA CANYON ROAD, OVER THE PRESENT TRAVELED PRIVATE ROAD.

PARCEL II:

BEING A PORTION OF THE LANDS CONVEYED TO ARMAND R. AND JOAN C. LABRUCHERIE BY DEED RECORDED JANUARY 10, 1966 IN BOOK 1739, PAGE 441, SANTA CRUZ COUNTY RECORDS, AND LYING IN SECTIONS 24 AND 25, T. 10 S., R 1 E.. M. D. B. & M., AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON PIPE AT THE INTERSECTION OF THE SOUTHERLY LINE OF THE SAID LANDS OF BAILEY AND THE EASTERLY LINE OF THE LANDS CONVEYED TO LYLE K. BAKER, ET UX., BY DEED RECORDED APRIL 18, 1956 IN VOLUME 1070, PAGE 411, SANTA CRUZ COUNTY RECORDS; THENCE ALONG THE SOUTHERLY BOUNDARY OF THE LANDS OF BAILEY, SOUTH 80° 55' WEST, 617.00 FEET TO A 1/2 INCH IRON PIPE AT THE SOUTHWEST CORNER OF THE LANDS OF BAILEY; THENCE ALONG THE WESTERLY BOUNDARY OF SAID LAND DUE NORTH, 294.60 FEET TO A 1/2 INCH IRON PIPE; THENCE NORTH 0° 53' WEST, 90.73 FEET TO A 1/2 INCH IRON PIPE; THENCE NORTH 2° 44' EAST, 45.46 FEET TO THE SOUTHWESTERN CORNER OF THE LANDS AS DESCRIBED IN THE DEED TO KENNETH T. EGAN, ET UX., RECORDED OCTOBER 30, 1968 IN BOOK 1913, PAGE 457, SANTA CRUZ COUNTY RECORDS; THENCE LEAVING SAID WESTERLY BOUNDARY AND RUNNING ALONG THE SOUTHERLY BOUNDARY OF SAID LANDS OF EGAN, NORTH 71° 23' EAST, 55.84 FEET TO A POINT IN THE CENTER LINE OF THE 24-FOOT RIGHT OF WAY DESCRIBED IN THE DEED TO JOHN F. TAYLOR, ET UX., RECORDED IN VOLUME 1140, PAGE 473, SANTA CRUZ COUNTY RECORDS; THENCE ALONG THE SAID CENTER LINE OF 24-FOOT RIGHT OF WAY THE FOLLOWING COURSES AND DISTANCES: SOUTH 22° 25' EAST, 54.34 FEET; SOUTH 70° 15' EAST, 161.08 FEET; SOUTH 87° 28' EAST, 142.39 FEET; SOUTH 75° 39' EAST, 90.41 FEET; SOUTH 85° 44' EAST, 186.08 FEET; SOUTH 60° 00' EAST, 203.93 FEET; SOUTH 39° 29' EAST, 60.11 FEET AND SOUTH 62° 09' EAST, 26.22 FEET TO A POINT IN THE AFORESAID SOUTHERLY BOUNDARY OF THE LANDS FORMERLY OF BAILEY; THENCE ALONG SAID SOUTHERLY BOUNDARY, SOUTH 80° 55' WEST, 274.21 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL PETROLEUM EXISTING IN LANDS AND THE RIGHT TO ENTER THEREON TO MINE FOR THE SAME, AS RESERVED IN THE DEED FROM WATSONVILLE MILL AND LUMBER COMPANY, A CORPORATION, TO JAMES DEVOE, RECORDED JANUARY 31, 1884 IN VOLUME 40 OF DEEDS, AT PAGE 274, SANTA CRUZ COUNTY RECORDS.

PARCEL II (A):

AN EASEMENT 12' WIDTH, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY BOUNDARY OF THE 12.325 ACRE TRACT OF LAND HEREINABOVE DESCRIBED FROM WHICH THE 1/2 INCH IRON PIPE AT THE MOST NORTHERLY CORNER THEREOF BEARS NORTH 0° 31' EAST, A DISTANCE OF 244.10 FEET; THENCE NORTH 60° 22' 11" EAST, 131.47 FEET; THENCE NORTH 80° 01' 14" EAST, 144.26 FEET TO A POINT IN THE NORTHERLY BOUNDARY OF SAID TRACT.

PARCEL II (B):

AN EASEMENT 12' IN WIDTH, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERLY BOUNDARY OF THE 12.325 ACRE TRACT OF LAND HEREINABOVE DESCRIBED FROM WHICH THE 1/2 INCH IRON PIPE AT THE MOST EASTERLY BEARS SOUTH 21° 03' 15" EAST, A DISTANCE OF 342.88 FEET; THENCE SOUTH 82° 35' WEST, 77.47 FEET; THENCE NORTH 73° 36' 38" WEST, 177.20 FEET; THENCE SOUTH 85° 36' 05" WEST, 130.38 FEET; THENCE SOUTH 73° 18' 03" WEST, 208.81 FEET; THENCE SOUTH 74° 34' 33" WEST, 150.42 FEET TO A POINT IN THE 24 FOOT RIGHT OF WAY ABOVE DESCRIBED.

PARCEL II (C):

A RIGHT OF WAY 24' IN WIDTH AS DESCRIBED IN THE DEED TO ARMAND R. LABRUCHERIE, ET UX., RECORDED JANUARY 10, 1966 IN BOOK 1739, PAGE 441, SANTA CRUZ COUNTY RECORDS.

NOTE: PARCEL I (A) HEREIN DESCRIBED IS ONLY BEING INCLUDED SO AS TO AVOID THE COMPANY BEING THE CAUSE OF EXCLUDING IT FROM DEEDS OR ENCUMBRANCES, BUT NO INSURANCE IS TO BE PROVIDED AS TO SAID PARCEL.

ANYTHING TO THE CONTRARY IN THE POLICY OR ENDORSEMENTS THERETO NOTWITHSTANDING, SAID PARCEL IS NOT INSURED EVEN THOUGH IT MAY BE INCLUDED AS PART OF THE DESCRIPTION OF THE LAND DESCRIBED OR REFERRED TO IN THE POLICY.

APN NOS.: 106-141-19 AND 106-081-18

*****END OF LEGAL DESCRIPTION*****

SCHEDULE B

AT THE DATE HEREOF EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM DESIGNATED ON THE FACE PAGE OF THIS REPORT WOULD BE AS FOLLOWS:

A. GENERAL AND SPECIAL TAXES FOR THE FISCAL YEAR 2020-2021

TOTAL: \$42,698.80
 FIRST INSTALLMENT: \$21,805.56 PAID
 DUE DATE: NOVEMBER 1, 2020
 DELINQUENT DATE: DECEMBER 10, 2020

SECOND INSTALLMENT: \$21,805.56 PAID
 DUE DATE: FEBRUARY 1, 2021
 DELINQUENT DATE: APRIL 10, 2021

ASSESSED VALUATION:
 LAND VALUE: \$2,522.970.00
 IMPROVEMENTS: \$1,347.318.00
 EXEMPTION: NONE

CODE AREA: 69070
 A. P. NO.: [106-141-19](#)

B. GENERAL AND SPECIAL TAXES FOR THE FISCAL YEAR 2020-2021

TOTAL: \$1,070.46
 FIRST INSTALLMENT: \$535.23 PAID
 DUE DATE: NOVEMBER 1, 2020
 DELINQUENT DATE: DECEMBER 10, 2020

SECOND INSTALLMENT: \$535.23 PAID
 DUE DATE: FEBRUARY 1, 2021
 DELINQUENT DATE: APRIL 10, 2021

ASSESSED VALUATION:
 LAND VALUE: \$83,232.00
 IMPROVEMENTS: \$0.00
 EXEMPTION: NONE

CODE AREA: 69070
 A. P. NO.: [106-081-18](#)

C. THE LIEN OF SUPPLEMENTAL TAXES ASSESSED PURSUANT TO CHAPTER 3.5 COMMENCING WITH SECTION 75 OF THE CALIFORNIA REVENUE AND TAXATION CODE.

D. SAID LAND LIES WITHIN THE BOUNDARIES OF SPECIAL TAX ASSESSMENT DISTRICT CREATED BY A "COMMUNITY FACILITIES DISTRICT" MAP RECORDED UNDER THE PROVISIONS OF THE MELLO-ROOS ACT 9 STREETS AND HIGHWAY CODE (SECTION 3100, ET SEQ.) THE CALIFORNIA STATE LEGISLATURE, AND IS SUBJECT TO ALL ASSESSMENTS LEVIED THEREBY.

SAID ASSESSMENT IS INCORPORATED INTO THE REGULAR PROPERTY TAX BILL AND IS PART OF THE GENERAL TAX COLLECTION PROCESS.

1. WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT SHOWN BY THE PUBLIC RECORDS.
2. ANY AND ALL OFFERS OF DEDICATION, CONDITIONS, RESTRICTIONS, EASEMENTS, FENCELINE/BOUNDARY DISCREPANCIES, NOTES AND/OR PROVISIONS SHOWN OR DISCLOSED BY THE FILED OR RECORDED MAP REFERRED TO IN THE LEGAL DESCRIPTION. INCLUDING BUT NOT LIMITED TO: EASEMENT FOR PUBLIC UTILITY AND INCIDENTAL PURPOSES AFFECTS: AS MORE PARTICULARLY DESCRIBED THEREIN.
3. THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "GRANT DEED" RECORDED FEBRUARY 18, 1884 IN [BOOK 40, PAGE 281](#), OF DEEDS.
4. AN EASEMENT FOR PURPOSES STATED AND INCIDENTAL RIGHTS.

FOR: RIGHT OF WAY OVER THE PRESENT TRAVELED ROAD
GRANTED TO: MARJORIE W. LESTER, A SINGLE WOMAN, TO WIT: A WIDOW, AND WILL TILLOTSON
RECORDED: APRIL 18, 1949 IN [BOOK 717, PAGE 41](#), OF OFFICIAL RECORDS.
AFFECTS: AS MORE PARTICULARLY DESCRIBED THEREIN.
5. AN EASEMENT FOR PURPOSES STATED AND INCIDENTAL RIGHTS.

FOR: A RIGHT OF WAY FOR ROAD PURPOSES
GRANTED TO: ANNIE J. BAILEY AND A.L. BAILEY, HER HUSBAND, ET AL.
RECORDED: APRIL 20, 1956 IN [BOOK 1070, PAGE 406](#), OF OFFICIAL RECORDS.
AFFECTS: AS MORE PARTICULARLY DESCRIBED THEREIN.
6. AN EASEMENT FOR PURPOSES STATED AND INCIDENTAL RIGHTS.

FOR: RIGHT OF WAY 24 FEET IN WIDTH
GRANTED TO: JOHN F. TAYLOR AND MARY W. TAYLOR, HIS WIFE, AS JOINT TENANTS
RECORDED: JULY 24, 1957 IN BOOK 1140, PAGE 473, OF OFFICIAL RECORDS.
AFFECTS: AS MORE PARTICULARLY DESCRIBED THEREIN.
7. AN EASEMENT FOR PURPOSES STATED AND INCIDENTAL RIGHTS.

FOR: A RIGHT OF WAY
GRANTED TO: PATTI SUE NEOLA, A MARRIED WOMAN
RECORDED: MAY 31, 1967 IN [BOOK 1821, PAGE 66](#), OF OFFICIAL RECORDS.
AFFECTS: AS MORE PARTICULARLY DESCRIBED THEREIN.
8. THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "RIGHT OF WAY DEED", EXECUTED BY AND BETWEEN WILLIS T. TINDALL, ET AL, RECORDED JUNE 23, 1980 IN [BOOK 3206, PAGE 549](#), OF OFFICIAL RECORDS.
9. THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "LANDUSE ADDENDUM AGREEMENT CONCERNING LAND USES INCOMPATIBLE WITH FOREST RESOURCE MANAGEMENT", EXECUTED BY AND BETWEEN BONNIE WENDT, RECORDED JANUARY 2, 1986 IN [BOOK 3927, PAGE 645](#), OF OFFICIAL RECORDS.
10. THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "DECLARATION REGARDING THE ISSUANCE OF A DEVELOPMENT PERMIT IN AN AREA SUBJECT TO GEOLOGIC HAZARDS", EXECUTED BY AND BETWEEN BONNIE WENDT, RECORDED FEBRUARY 27, 1990 IN [BOOK 4636, PAGE 374](#), OF OFFICIAL RECORDS.

11. THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "DECLARATION REGARDING THE ISSUANCE OF A BUILDING PERMIT FOR REPAIR OF EARTHQUAKE DAMAGE", EXECUTED BY AND BETWEEN BONNIE R. WENDT, RECORDED OCTOBER 1, 1991 IN [BOOK 4905, PAGE 220](#), OF OFFICIAL RECORDS.
12. THE EFFECT OF A MAP PURPORTING TO SHOW THE LAND AND OTHER PROPERTY, RECORDED IN [BOOK 128 PAGE 11](#) OF RECORD OF SURVEYS.
13. ANY FACTS ABOUT THE LAND THAT AN INSPECTION OR INQUIRY OF PARTIES IN POSSESSION SATISFACTORY TO THE COMPANY WOULD DISCLOSE AND THAT ARE NOT SHOWN BY THE PUBLIC RECORDS.
14. ANY FACTS, RIGHTS, INTERESTS OR CLAIMS WHICH WOULD BE DISCLOSED BY A CORRECT ALTA/NSPS SURVEY.
15. **A DEED OF TRUST TO SECURE AN ORIGINAL INDEBTEDNESS AND ANY OTHER AMOUNTS OR OBLIGATIONS SECURED THEREBY**

AMOUNT: \$1,600,000.00
DATED: DECEMBER 5, 2017
TRUSTOR: ZENCOSMO INC., A CALIFORNIA CORPORATION
TRUSTEE: FIDELITY NATIONAL TITLE COMPANY, A CALIFORNIA CORPORATION
BENEFICIARY: ASSET PRESERVATION, INC., A CALIFORNIA CORPORATION
RECORDED: DECEMBER 21, 2017 AS INSTRUMENT NO. [2017-0043394](#), OF OFFICIAL RECORDS.

ACCORDING TO THE PUBLIC RECORDS, THE BENEFICIAL INTEREST UNDER THE DEED OF TRUST WAS ASSIGNED TO RAINBOW FINANCIAL CORPORATION BY ASSIGNMENT RECORDED FEBRUARY 13, 2018 AS INSTRUMENT NO. [2018-0004372](#), OF OFFICIAL RECORDS.

REQUIREMENTS:

16. PRIOR TO THE ISSUANCE OF ANY POLICY OF TITLE INSURANCE, THE COMPANY WILL REQUIRE:
 - A. **THE RECEIPT AND REVIEW OF THE COMPLETED OWNER'S AFFIDAVIT SUBJECT TO FURTHER REQUIREMENTS OF THIS COMPANY.**
 - B. **THIS TRANSACTION MAY BE SUBJECT TO A CONFIDENTIAL ORDER ISSUED PURSUANT TO THE BANK SECRECY ACT. THE POLICY ISSUING AGENT MUST BE PROVIDED WITH CERTAIN INFORMATION NECESSARY TO COMPLY WITH THE CONFIDENTIAL ORDER PRIOR TO THE CLOSING. THIS TRANSACTION WILL NOT BE INSURED AND THIS ISSUING AGENT AND/OR ITS UNDERWRITER WILL NOT BE INVOLVED IN THE CLOSING AND SETTLEMENT UNTIL THIS INFORMATION IS SUBMITTED, REVIEWED AND FOUND TO BE COMPLETE.**
17. WITH RESPECT TO ZENCOSMO INC., A CALIFORNIA CORPORATION, PRIOR TO INSURING A CONVEYANCE OR ENCUMBRANCE, THIS COMPANY WILL REQUIRE THE FOLLOWING:
 1. A CERTIFICATE OF GOOD STANDING OF RECENT DATE ISSUED BY THE SECRETARY OF STATE OF THE CORPORATION'S STATE OF DOMICILE.
 2. A CERTIFIED COPY OF A RESOLUTION OF THE BOARD OF DIRECTORS AUTHORIZING THE CONTEMPLATED TRANSACTION AND DESIGNATING WHICH CORPORATE OFFICERS SHALL HAVE THE POWER TO EXECUTE ON BEHALF OF THE CORPORATION.
 3. OTHER REQUIREMENTS WHICH THE COMPANY MAY IMPOSE FOLLOWING ITS REVIEW OF THE MATERIAL REQUIRED HEREIN AND OTHER INFORMATION WHICH THE COMPANY MAY REQUIRE.
18. THE REQUIREMENT THAT THE OWNERS AFFIDAVIT BE EXECUTED AND UPON REVIEW FURTHER REQUIREMENTS MAY BE REQUESTED PRIOR TO THE ISSUANCE OF ANY POLICY OF INSURANCE.

*****END OF SCHEDULE B*****

NOTES:

WE DEPOSIT FUNDS RECEIVED ON YOUR BEHALF IN STATE OR FEDERALLY-CHARTERED BANKS THAT ARE INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION ("FDIC"). THE ACCOUNT IS CURRENTLY HELD AT COMERICA BANK.

FDIC DEPOSIT INSURANCE COVERAGE APPLIES TO A MAXIMUM AMOUNT OF \$250,000 PER DEPOSITOR FOR DEPOSITS HELD IN THE SAME LEGAL OWNERSHIP CATEGORY AT EACH BANK. FOR EXAMPLE, FUNDS HELD ON YOUR BEHALF IN AN ACCOUNT MAINTAINED BY US WILL BE COMBINED WITH ANY INDIVIDUAL ACCOUNTS HELD DIRECTLY BY YOU AT THE SAME BANK. YOU ARE RESPONSIBLE FOR MONITORING THE TOTAL AMOUNT OF DEPOSITS THAT ARE OWNED DIRECTLY OR INDIRECTLY BY YOU IN ANY ONE BANK.

IF YOU HAVE QUESTIONS ABOUT FDIC DEPOSIT INSURANCE, CONTACT YOUR FINANCIAL OR LEGAL ADVISORS OR GO TO [HTTP://WWW.FDIC.GOV/DEPOSIT/DEPOSITS/INDEX.HTML](http://www.fdic.gov/deposit/deposits/index.html). WE DO NOT GUARANTEE THE SOLVENCY OF ANY BANK INTO WHICH FUNDS ARE DEPOSITED AND WE ASSUME NO LIABILITY FOR ANY LOSS YOU INCUR DUE TO THE FAILURE, INSOLVENCY OR SUSPENSION OF OPERATIONS OF ANY BANK OR THE \$250,000 FDIC DEPOSIT INSURANCE LIMIT.

UNLESS OTHERWISE AGREED IN WRITING, EACH OF THE PRINCIPALS AGREES, UNDERSTANDS AND ACKNOWLEDGES THAT: THE ESCROW ACCOUNT IS NON-INTEREST-BEARING; NO FINANCIAL OR OTHER BENEFITS WILL BE EARNED BY OR PROVIDED TO ANY OF THE PRINCIPALS WITH RESPECT TO SUCH FUNDS' AND Title Resources Guaranty Company AND ITS AFFILIATES MAY INSTEAD RECEIVE DIRECT AND INDIRECT FINANCIAL AND OTHER BENEFITS FROM THE DEPOSITORY WITH RESPECT TO SUCH FUNDS THESE BENEFITS SHALL BE TREATED AS ADDITIONAL COMPENSATION TO Title Resources Guaranty Company FOR ITS SERVICES AS AN ESCROW HOLDER IN THIS TRANSACTION.

NOTE: IF APPLICABLE, AND UNLESS OTHERWISE DIRECTED IN WRITING, Title Resources Guaranty Company ISSUES THE **ALTA HOME OWNER'S POLICY** ON RESIDENTIAL PROPERTY SALE TRANSACTIONS.

NOTE: THIS COMPANY REQUIRES CURRENT BENEFICIARY DEMANDS PRIOR TO CLOSING. NO PAYOFFS WILL BE MADE USING "VERBAL" FIGURES

NOTE: EFFECTIVE JANUARY 1, 1990, ASSEMBLY BILL 512, ENACTED AS CHAPTER 598, WILL ADD SECTION 12413.1 TO THE CALIFORNIA INSURANCE CODE DEALING WITH THE "GOOD FUNDS" ISSUE. FUNDS DEPOSITED BY:

- CASH AND BY ELECTRONIC TRANSFER (WIRED FUNDS) WILL BE AVAILABLE FOR SAME DAY DISBURSEMENTS.
- CASHIER'S CHECKS, CERTIFIED CHECKS AND TELLER'S CHECKS WILL BE AVAILABLE FOR NEXT DAY DISBURSEMENTS.
- ALL OTHER TYPES OF CHECKS WILL NOT BE AVAILABLE FOR DISBURSEMENT UNTIL THE DAY PROVIDED IN REGULATION CC ADOPTED BY THE FEDERAL RESERVE BOARD OF GOVERNORS.
- A DRAFT WILL NOT BE AVAILABLE FOR DISBURSEMENT UNTIL THE DRAFT HAS BEEN SUBMITTED FOR COLLECTION AND PAYMENT RECEIVED BY OUR BANK.

PLEASE NOTE: THIS COMPANY WILL MAKE DISBURSEMENTS ONLY IN THE SAME MANNER AS WHICH FUNDS ARE RECEIVED. SHOULD THIS COMPANY BE REQUESTED TO MAKE ANY DISBURSEMENTS BY ELECTRONIC TRANSFER (WIRED FUNDS), THIS COMPANY WILL REQUIRE FUNDS TO BE DEPOSITED TO OUR ACCOUNT BY ELECTRONIC TRANSFER.

TITLE RESOURCES GUARANTY COMPANY

450 EXCHANGE, SUITE 200
IRVINE, CA 92602
PHONE: (856) 914-3877

ATTENTION:

**YOUR NO.: 1550 TINDALL RANCH ROAD AND
APN: 106-081-18
OUR NO.: 4660219-01059
DATE: MAY 14,, 2021 AT 7:30 A.M.**

RHONDA K. DOBSON, TITLE OFFICER

LENDERS SUPPLEMENTAL REPORT

THE ABOVE NUMBERED REPORT (INCLUDING ANY SUPPLEMENTS OR AMENDMENTS THERETO) IS HEREBY MODIFIED AND/OR SUPPLEMENTED IN ORDER TO REFLECT THE FOLLOWING ADDITIONAL ITEMS RELATING TO THE ISSUANCE OF AN AMERICAN LAND TITLE ASSOCIATION LOAN FORM POLICY AS FOLLOWS:

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 ATTACHED.

WHEN ISSUED, THE CLTA ENDORSEMENT FORM 116 WILL REFERENCE **A SINGLE FAMILY RESIDENCE AND VACANT LAND**

KNOWN AS

1550 TINDALL RANCH ROAD, CORRALITOS, CALIFORNIA.

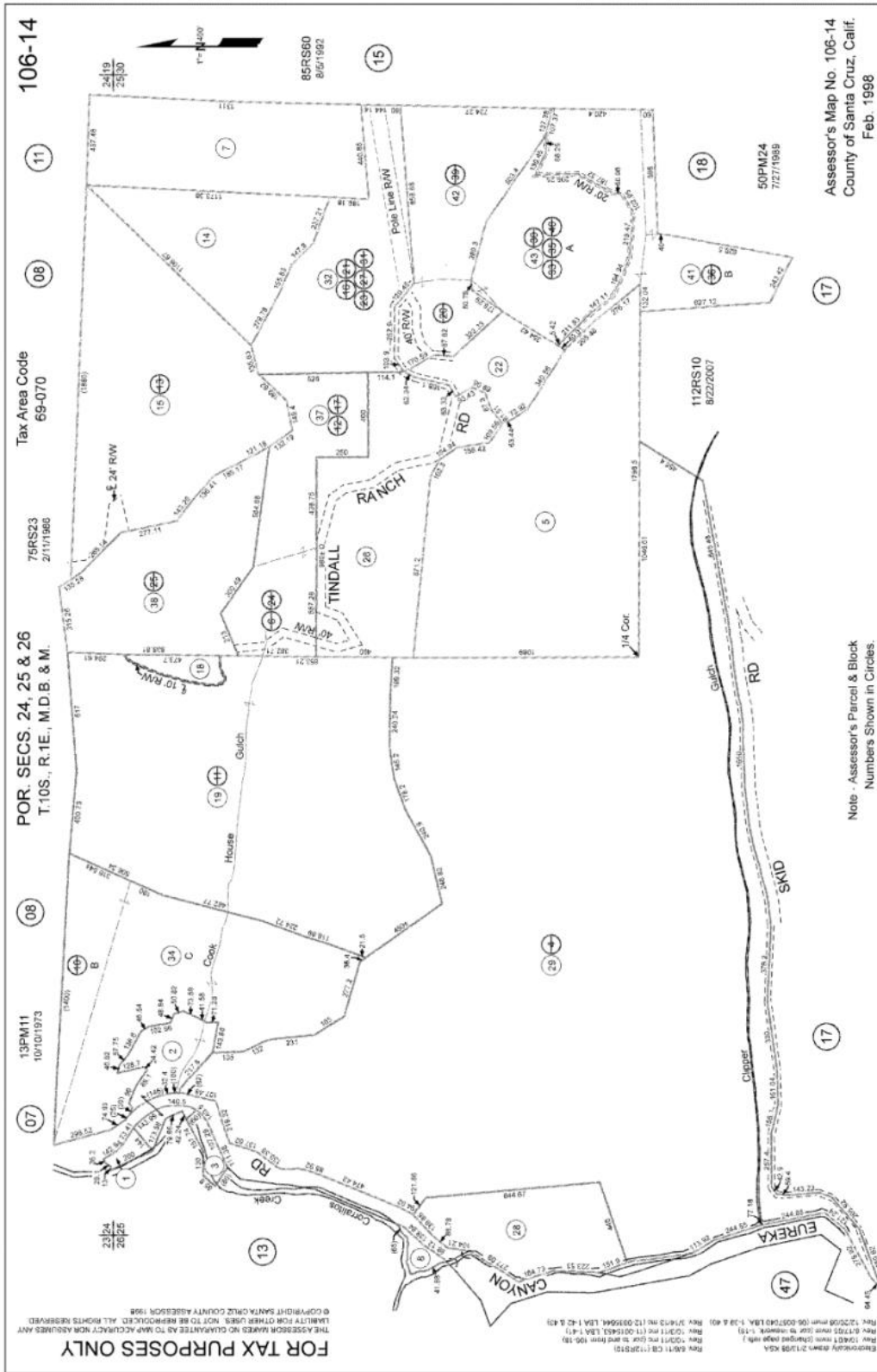
AND

VACANT LAND/APN: 106-081-18

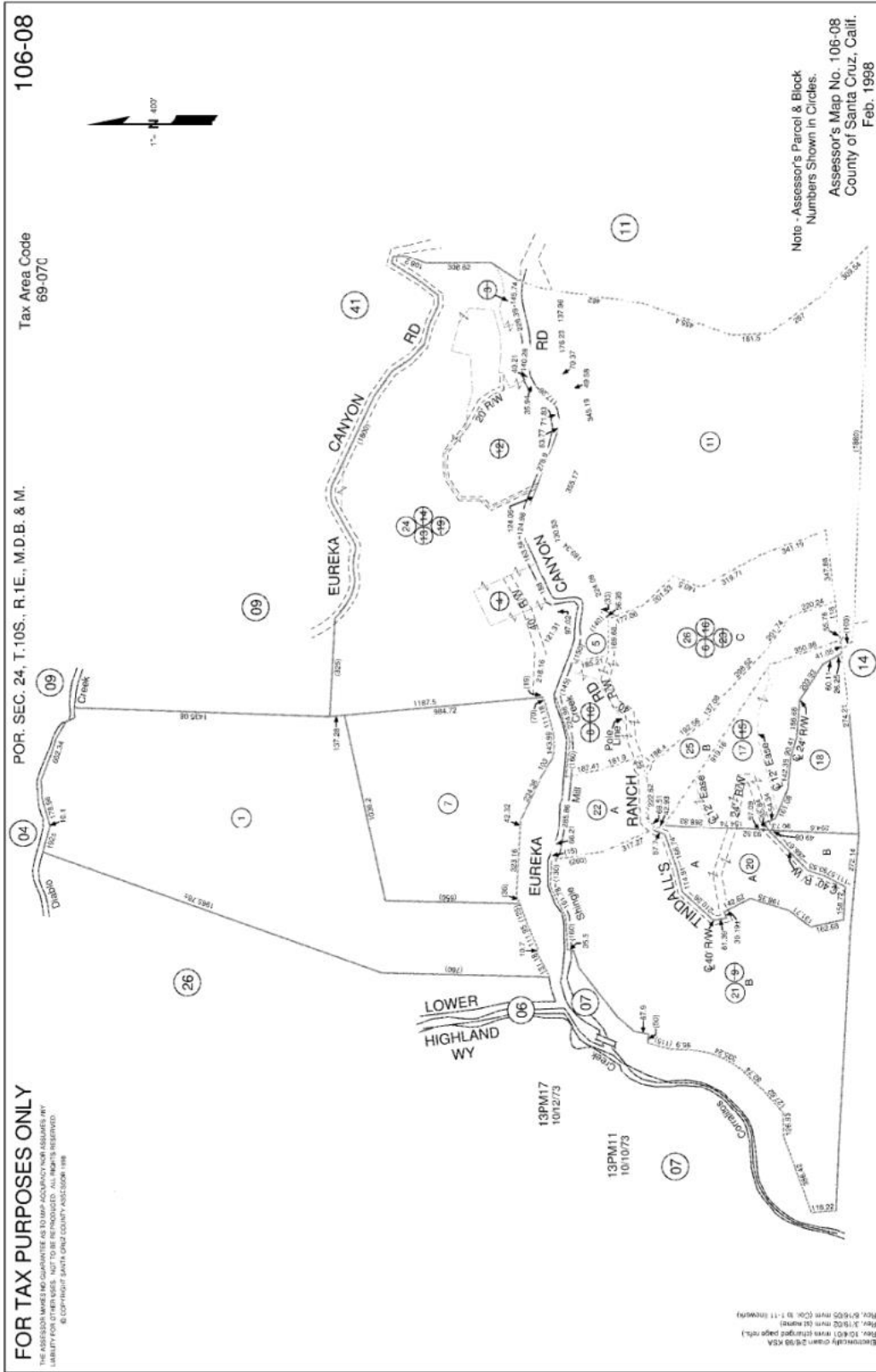
NOTE: ACCORDING TO THE PUBLIC RECORDS, THERE HAVE BEEN NO DEEDS CONVEYING THE LAND DESCRIBED HEREIN WITHIN A PERIOD OF TWENTY-FOUR (24) MONTHS PRIOR TO THE DATE OF THIS REPORT, EXCEPT AS FOLLOWS:

A DEED RECORDED: DECEMBER 21, 2017 AS INSTRUMENT NO. [2017-0043393](#), OF OFFICIAL RECORDS.

EXECUTED BY: BONNIE R. WENDT AND ROBERT W. SAGER, TRUSTEES OF THE WENDT-SAGER REVOCABLE TRUST DATED 4/2/2012
TO: ZENCOSMO INC., A CALIFORNIA CORPORATION



This plat is for your aid in locating your land with reference to streets and other parcels. While this plat is believed to be correct, the company assumes no liability for any loss occurring by reason of reliance thereon.



This plat is for your aid in locating your land with reference to streets and other parcels. While this plat is believed to be correct, the company assumes no liability for any loss occurring by reason of reliance thereon.

TITLE RESOURCES GUARANTY COMPANY PRIVACY POLICY

Rev. 3/9/2021

FACTS	WHAT DOES TITLE RESOURCES GUARANTY COMPANY DO WITH YOUR PERSONAL INFORMATION?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and account balances • payment history and credit card or other debt • checking account information and wire transfer instructions <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Title Resources Guaranty Company chooses to share; and whether you can limit this sharing.	
Reasons we can share your personal information	Does Title Resources Guaranty Company share?	Can you limit this sharing?
For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes—to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes—information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes—information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share
Questions?	Go to http://www.trgc.com/privacypolicy	

Who we are	
Who is providing this notice?	Title Resources Guaranty Company
What we do	
How does Title Resources Guaranty Company protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Title Resources Guaranty Company collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • Apply for insurance or pay insurance premiums • Provide your mortgage information or show your driver's license • Give us your contact information <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes—information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Our affiliates include companies that are owned in whole or in part by Realogy Holdings Corp., such as Better Homes and Gardens® Real Estate, CENTURY 21®, Coldwell Banker®, Coldwell Banker Commercial®, The Corcoran Group®, ERA®, Sotheby's International Realty®, ZipRealty®, Realogy Brokerage Group LLC, Cartus and Realogy Title Group.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Title Resources Guaranty Company does not share with nonaffiliates so they can market to you</i>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • <i>Title Resources Guaranty Company does not share with nonaffiliated financial companies for joint marketing purposes</i>
Other Important Information	
For European Union Customers	Please see our Privacy Policy located at https://www.trgc.com/Privacypolicy
For our California Customers	Please see our notice about the California Consumer Protection Act located at https://www.trgc.com/Privacypolicy

Title Resources Guaranty Company

Available Discounts

Title Resources Guaranty Company is pleased to inform you that upon proper qualification, there are premium discounts available upon the purchase of title insurance covering improved property with a one to four family residential dwelling.

Such discounts could apply to:

- Property located within an area proclaimed a state or federal disaster area
- Property purchased from a foreclosing beneficiary or successful bidder at a foreclosure sale
- Property being refinanced

Please talk with your title officer to determine your qualification for any of these discounts.

EXHIBIT B (Revised 11-09-2018) LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (By Policy Type)

1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990 (Revised 11/09/2018)

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:

- (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 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.
- 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.
- Defects, liens, encumbrances, adverse claims, or other matters:
 - whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - 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;
 - resulting in no loss or damage to the insured claimant;
 - attaching or created subsequent to Date of Policy; or
 - 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.
- 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.
- 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.
- 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.

EXCEPTIONS FROM COVERAGE - SCHEDULE B PART 1

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:

- 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 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.
- 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.
- Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 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.
- 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.
- Any lien, or right to a lien, for services, labor or material unless such lien is shown by the public records at Date of Policy.

2. CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE 2013 / ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE 2013 (Revised 12/02/13)

Covered Risks 16 (Subdivision Law Violation), 18 (Building Permit), 19 (Zoning) and 21 (Encroachment of boundary walls or fences) are subject to Deductible Amounts and Maximum Dollar Limits of Liability

EXCLUSIONS FROM COVERAGE

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

- 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:
 - building
 - zoning
 - land use;
 - improvements on the land
 - land division
 - environmental protection.This exclusion does not limit the coverage described in Covered Risk 8a, 14, 15, 16, 18, 19, 20, 23, or 27.
- The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit coverage described in Covered Risk 14 or 15.
- The right to take the land by condemning it This Exclusion does not limit the coverage described in Covered Risk 17.
- Risks:
 - that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
 - that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
 - that result in no loss to You; or
 - that first occur after the Policy Date -- this does not limit the coverage described in Covered Risk 7, 8.e, 25, 26, 27, or 28.
- Failure to pay value for Your Title.
- Lack of a right:
 - to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - in streets, alleys, or waterways that touch the Land.This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
- The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditor's rights laws.
- Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

3. ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (12/02/13)

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, attorney's fees or expenses which arise by reason of:

- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - the occupancy, use, or enjoyment of the Land;
 - the character, dimensions, or location of any improvement erected on the Land;
 - the subdivision of land; or
 - environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations.
This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters
 - created, suffered, assumed, or agreed to by the Insured Claimant;
 - 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;
 - resulting in no loss or damage to the Insured Claimant;
 - attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or

- (e) resulting in loss or damage that 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 an Insured to comply with applicable doing-business laws of the state where the Land is situated.
- 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that 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. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
- 6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
- 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
- 8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
- 9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
- 10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- 11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

4. 2006 ALTA LOAN POLICY (06-17-06)

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 that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
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 (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that 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 an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that 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, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that 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.
6. Any lien, or right to a lien, for services, labor or material unless such lien is shown by the Public Records at Date of Policy.

5. 2006 ALTA OWNER'S POLICY (06-17-06)

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 that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
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 (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that 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.
6. Any lien, or right to a lien, for services, labor or material unless such lien is shown by the Public Records at Date of Policy.