

1. Preliminary Report - SCAL

**CLTA Preliminary Report Form**  
(Rev. 11/06)

Order Number: DIV-3080261 (4)  
Page Number: 1



## First American Title Company

411 Ivy Street  
San Diego, CA 92101

Donna Hamilton  
A Plus Escrow  
7676 Hazard Center Drive, Suite 150  
San Diego, CA 92108-4513  
Phone: (619)497-4961  
Fax: (866)654-9701

Customer Reference:	LAY
Order Number:	DIV-3080261 (4)
Title Officer:	Korey Mulvey/ Shelly Arnesen
Phone:	(619)231-4670
Fax No.:	(866)559-1849
E-Mail:	4@firstam.com
Buyer:	tbd
Owner:	Lay
Property:	1421 Sunshine Trail Julian, CA

### PRELIMINARY REPORT

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 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 and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A 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 also set forth in Exhibit A. 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.**

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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 May 19, 2008 at 7:30 A.M.

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

EAGLE Protection Owner's Policy (CLTA/ALTA Homeowner's Policy of Title Insurance) if the land described is an improved residential lot or condominium unit on which there is located a one-to-four family residence, or ALTA Residential Title Insurance Policy (6-1-87) if the land described is an unimproved residential lot or condominium unit; ALTA Loan Policy (1992) with ALTA Endorsement - Form 1 Coverage

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:

THOMAS JAMES LAY AND EILEEN CAROL LAY, HUSBAND AND WIFE AS JOINT TENANTS

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

A fee.

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 2008-2009, 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. The terms and provisions contained in the document entitled "Deed" recorded March 23, 1926 in Book 1195, Page 106 of Deeds.
4. Rights of the public in and to that portion of the land lying within Sunshine Trail (RS 838).
5. An easement for public utilities, ingress and egress and incidental purposes, recorded December 21, 1937 in Book 727, Page 319 of Official Records.  
In Favor of: San Diego Gas and Electric Company  
Affects: The land

6. An easement for public utilities, ingress and egress and incidental purposes, recorded February 17, 1938 as Instrument Nos. 13802 and 13801 in the Office of the Registrar of Land Titles.  
In Favor of: San Diego Gas and Electric Company  
Affects: The location of the easement cannot be determined from record information
7. Covenants, conditions, restrictions and easements in the document recorded April 30, 1941 in Book 1170, Page 234 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or applicable state law. 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. An easement for public highway and incidental purposes, recorded January 4, 1945 as Instrument No. 19354 in the Office of the Registrar of Land Titles.  
In Favor of: Various parties  
Affects: The land  

Said easement has been granted/reserved in various instruments of record.

Said instrument additionally contains the privilege and right to extend drainage structures and excavation and embankment slopes beyond the limits of the above described right of way where required for the construction and maintenance thereof.
9. An easement for public utilities, ingress and egress and incidental purposes, recorded December 1, 1945 in Book 1607, Page 86 of Official Records.  
In Favor of: San Diego Gas and Electric Company  
Affects: The land
10. An easement for public utilities, ingress and egress and incidental purposes, recorded July 10, 1946 in Book 2172, Page 295 of Official Records.  
In Favor of: San Diego Gas and Electric Company  
Affects: The land
11. An easement for public utilities, ingress and egress and incidental purposes, recorded January 28, 1947 in Book 2332, Page 148 of Official Records.  
In Favor of: San Diego Gas and Electric Company  
Affects: The land
12. The effect of a map purporting to show the land and other property, filed as Map No. 17900 of Record of Surveys.
13. An easement for a proposed 30' private road and utility and incidental purposes as disclosed by record of Survey Map No. 17900.

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14. An easement for ingress, egress, utilities, drainage and incidental purposes, recorded March 22, 2007 as Instrument No. 2007-0193317 of Official Records.  
In Favor of: PMV Construction, a California General Partnership  
Affects: The land
  
15. A deed of trust to secure an original indebtedness of \$430,000.00 recorded May 31, 2007 as Instrument No. 2007-0369921 of Official Records.  
Dated: May 22, 2007  
Trustor: Thomas James Lay and Eileen Carol Lay, husband and wife as joint tenants  
Trustee: Fidelity National Title Insurance Company  
Beneficiary: Wells Fargo Bank, N.A.

**INFORMATIONAL NOTES**

Note: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable 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. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

1. General and special taxes and assessments for the fiscal year 2007-2008.

First Installment: \$1,281.57, PAID  
Penalty: \$128.16  
Second Installment: \$1,281.57, PAID  
Penalty: \$138.16  
Tax Rate Area: 81047  
A. P. No.: 250-150-22-00

2. Supplemental taxes for the fiscal year 2007-2008 assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.

First Installment: \$714.64, PAIDWPEN  
Penalty: \$71.64  
Second Installment: \$714.64, PAID  
Penalty: \$81.46  
Tax Rate Area: 81047  
A. P. No.: 879-451-05-67

3. Supplemental taxes for the fiscal year 2007-2008 assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.

First Installment: \$315.32, PAIDWPEN  
Penalty: \$31.53  
Second Installment: \$315.32, PAID  
Penalty: \$41.53  
Tax Rate Area: 81047  
A. P. No.: 879-451-05-67

4. 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) Single Family Residence known as 1421 Sunshine Trail, unincorporated area of Julian, California.

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5. 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:

None

The map attached, if any, may or may not be a survey of the land depicted hereon. First American 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.

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**WIRE INSTRUCTIONS**

**for**

**First American Title Company, Demand/Draft Sub-Escrow Deposits  
San Diego County, California**

**First American Trust, FSB**

5 First American Way

Santa Ana, CA 92707

**ABA 122241255**

**Credit to First American Title Company**

**Account No. 2000013101**

**Reference Title Order Number 3080261 and Title Officer Korey Mulvey/ Shelly Arnesen**

**Please wire the day before recording.**

**LEGAL DESCRIPTION**

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

THAT PORTION OF SECTION 32, TOWNSHIP 12 SOUTH, RANGE 4 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY THEREOF, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 628.90 FEET SOUTH AND 2390.61 FEET EAST OF THE WEST ONE QUARTER CORNER OF SAID SECTION, AS SAID CORNER IS SHOWN ON MAP OF ROAD SURVEY NO. 378, ON FILE IN THE OFFICE OF THE COUNTY SURVEYOR, SAID POINT OF BEGINNING BEING ALSO AT STATION 22+46.67 ON THE CENTER LINE OF SAID ROAD SURVEY; THENCE NORTH 52° 01' 26" EAST RECORD (NORTH 51° 43' 30" EAST) ALONG THE NORTHWEST BOUNDARY OF SAID LOT 231 AND ITS NORTHEASTERLY PROLONGATION, SAID LINE ALSO BEING THE EAST BOUNDARY OF THE LAND DEEDED TO WILLIAM A. ROSE IN DOCUMENT #1991-0320406, RECORDED ON JULY 1, 1991 AT THE SAN DIEGO COUNTY RECORDERS, SAN DIEGO, CALIFORNIA, 276.51 FEET TO AN ANGLE POINT IN THE BOUNDARY OF SAID ROSE LAND; THENCE NORTH 19° 39' 17" EAST RECORD (NORTH 19° 30' EAST) ALONG THE SAID ROSE BOUNDARY 302.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE BOUNDARY OF SAID ROSE LAND AS FOLLOWS:

NORTH 19° 39' 17" EAST 188.90 FEET TO THE NORTHEAST CORNER, THENCE NORTH 73° 46' 47" WEST 103.30 FEET; THENCE SOUTH 81° 46' 53" WEST 102.23 FEET; THENCE SOUTH 60° 43' 23" WEST 39.31 FEET TO THE NORTHWEST CORNER OF SAID ROSE LAND; THENCE SOUTH 15° 58' 38" WEST ALONG THE SAID ROSE BOUNDARY 117.37 FEET TO A POINT WHICH BEARS NORTH 73° 32' 52" WEST FROM THE TRUE POINT OF BEGINNING; THENCE SOUTH 73° 32' 52" EAST 212.11 FEET TO THE TRUE POINT OF BEGINNING.

RESERVING A 30.00 FOOT EASEMENT FOR INGRESS, EGRESS, UTILITIES, DRAINAGE AND ALL PURPOSES INCIDENTAL THERETO OVER, UNDER, ALONG AND ACROSS, UPON AND THROUGH THE EASTERLY 30.00 FEET OF THE ABOVE HEREIN DESCRIBED PROPERTY.

SAID PROPERTY BEING DESCRIBED AS PARCEL "A" OF THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED ON AUGUST 02, 2002 AS INSTRUMENT NO. 2002-0652892 OF OFFICIAL RECORDS OF SAID SAN DIEGO COUNTY.

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***NOTICE***

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.

**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:

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:

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**

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:

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.

**11. EAGLE PROTECTION OWNER'S POLICY**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 1998  
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 1998**

**Covered Risks 14 (Subdivision Law Violation). 15 (Building Permit). 16 (Zoning) and 18 (Encroachment of boundary walls or fences) are subject to Deductible Amounts and Maximum Dollar Limits of Liability**

**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 ordinances, laws and regulations concerning:
 

a. building	b. zoning
c. land use	d. improvements on the land
e. land division	f. environmental protection

This exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.  
This exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
  - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
  - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
5. Failure to pay value for Your Title.
6. Lack of a right:
  - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land.
 This exclusion does not limit the coverage described in Covered Risk 11 or 18.

**LIMITATIONS ON COVERED RISKS**

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 14: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$10,000.00
Covered Risk 15: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 16: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00

Covered Risk 18: 1% of Policy Amount or \$2,500.00 (whichever is less) \$5,000.00

**12. SECOND GENERATION EAGLE LOAN POLICY AMERICAN LAND TITLE ASSOCIATION EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)**

**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. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14 and 16 of this 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. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14 and 16 of this 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 (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); 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 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, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8 (e) and 26.
7. 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 limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting title, the existence of which are Known to the Insured at:
  - (a) The time of the advance; or
  - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification.This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

**13. SECOND GENERATION EAGLE LOAN POLICY AMERICAN LAND TITLE ASSOCIATION EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)  
WITH REGIONAL EXCEPTIONS**

When the American Land Title Association loan policy with EAGLE Protection Added is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 12 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:

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.

**14. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 2006  
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 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).

**15. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 2006  
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 14 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:

1. (a) Taxes or assessments that 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; (b) proceedings by a public agency that may result in taxes or assessments, or notices 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 that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and 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.

**16. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 2006  
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, 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 Risks 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.

**17. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 2006  
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 16 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:

1. (a) Taxes or assessments that 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; (b) proceedings by a public agency that may result in taxes or assessments, or notices 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 that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and 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.

"You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between **May 19, 1995 and October 8, 2002**. If you had more than one qualifying transaction, you may be entitled to multiple discounts. If your previous transaction involved the same property that is the subject of this Preliminary Report, you do not have to do anything; First American will provide the discount directly to you within a few weeks, not through your closing. If your previous transaction involved property different from the property that is the subject of your current transaction, you must inform First American of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount. Please mail to Claims Administrator, 2 First American Way, Santa Ana, CA 92707.

Unless you inform First American of the prior transaction on a property that is not the subject of this transaction, First American has no obligation to conduct an investigation to determine if you qualify for a discount. If you provide First American information concerning a prior transaction, First American is required to determine if you qualify for a discount."

"Escrow Services" shall be defined as either title premium or escrow fee payable by you in connection with this transaction. In the event you are entitled to a credit but are not responsible for paying either a title premium or an escrow fee at the close of this transaction, then no credit can be given.

## PRIVACY POLICY

### **We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information – particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

### **Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

### **Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

### **Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

### **Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

### **Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

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3. Exhibit A (Long Legal Description)

**EXHIBIT 'A'**

Date: **May 23, 2008**

File No.: **DIV-3080261 ( 4)**

**THAT PORTION OF SECTION 32, TOWNSHIP 12 SOUTH, RANGE 4 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY THEREOF, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

**BEGINNING AT A POINT WHICH IS 628.90 FEET SOUTH AND 2390.61 FEET EAST OF THE WEST ONE QUARTER CORNER OF SAID SECTION, AS SAID CORNER IS SHOWN ON MAP OF ROAD SURVEY NO. 378, ON FILE IN THE OFFICE OF THE COUNTY SURVEYOR, SAID POINT OF BEGINNING BEING ALSO AT STATION 22+46.67 ON THE CENTER LINE OF SAID ROAD SURVEY; THENCE NORTH 52° 01' 26" EAST RECORD (NORTH 51° 43' 30" EAST) ALONG THE NORTHWEST BOUNDARY OF SAID LOT 231 AND ITS NORTHEASTERLY PROLONGATION, SAID LINE ALSO BEING THE EAST BOUNDARY OF THE LAND DEEDED TO WILLIAM A. ROSE IN DOCUMENT #1991-0320406, RECORDED ON JULY 1, 1991 AT THE SAN DIEGO COUNTY RECORDERS, SAN DIEGO, CALIFORNIA, 276.51 FEET TO AN ANGLE POINT IN THE BOUNDARY OF SAID ROSE LAND; THENCE NORTH 19° 39' 17" EAST RECORD (NORTH 19° 30' EAST) ALONG THE SAID ROSE BOUNDARY 302.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE BOUNDARY OF SAID ROSE LAND AS FOLLOWS:**

**NORTH 19° 39' 17" EAST 188.90 FEET TO THE NORTHEAST CORNER, THENCE NORTH 73° 46' 47" WEST 103.30 FEET; THENCE SOUTH 81° 46' 53" WEST 102.23 FEET; THENCE SOUTH 60° 43' 23" WEST 39.31 FEET TO THE NORTHWEST CORNER OF SAID ROSE LAND; THENCE SOUTH 15° 58' 38" WEST ALONG THE SAID ROSE BOUNDARY 117.37 FEET TO A POINT WHICH BEARS NORTH 73° 32' 52" WEST FROM THE TRUE POINT OF BEGINNING; THENCE SOUTH 73° 32' 52" EAST 212.11 FEET TO THE TRUE POINT OF BEGINNING.**

**RESERVING A 30.00 FOOT EASEMENT FOR INGRESS, EGRESS, UTILITIES, DRAINAGE AND ALL PURPOSES INCIDENTAL THERETO OVER, UNDER, ALONG AND ACROSS, UPON AND THROUGH THE EASTERLY 30.00 FEET OF THE ABOVE HEREIN DESCRIBED PROPERTY.**

**SAID PROPERTY BEING DESCRIBED AS PARCEL "A" OF THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED ON AUGUST 02, 2002 AS INSTRUMENT NO. 2002-0652892 OF OFFICIAL RECORDS OF SAID SAN DIEGO COUNTY.  
A.P.N. 250-150-22-00**

4. Exception 07 1170 234 CCR

**ATTACHMENT**

**Attached is the document you (or someone on your behalf) requested. As required by Section 12956.1(b) of the California Government Code, please take note of the following:**

**"If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income (as defined in subdivision (p) of Section 12955 of the Government Code) or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 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."**

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in the Grantor the same as though this instrument had not been executed.

IN WITNESS WHEREOF, the Grantor has duly executed this instrument this 29 day of April, 1941.

FRONTIER ENTERPRISES, INC. DELAWARE 1936

FRONTIER ENTERPRISES, INC., By R. H. Fleet - Pres. President

STATE OF CALIFORNIA) COUNTY OF SAN DIEGO) ss.

ATTEST: R. A. Stanberry Secretary

On this 29 day of April, 1941, before me Jean Henley Plesierre, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared R. H. Fleet, known to me to be the President and R. A. Stanberry, known to me to be the Secretary of the Corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal, in the County of San Diego, State of California, the day and year in this certificate first above written.

Jean Henley Plesierre

Jean Henley Plesierre Notary Public in and for the County of San Diego, State of California. My commission expires July 9, 1944.

RESOLUTION NO. 74004

BE IT RESOLVED by the Council of the City of San Diego, as follows:

That the deed of Frontier Enterprises, Inc., executed in favor of The City of San Diego, bearing date April 29, 1941, conveying to said City an easement and right of way for the construction, repairing, replacing, maintenance and operation of a main sewer pipeline and appurtenances, together with the right of ingress thereto and egress therefrom, to and along said line, over and across portions of Pueblo Lots 327, 328 and 329 of the Pueblo Lands of the City of San Diego, according to Map thereof made by James Pascoe, a copy of which map is filed in the office of the County Recorder of San Diego County, California, be, and the same is hereby accepted on the conditions therein expressed;

And the City Clerk of said City is hereby authorized and directed to file the said deed of record in the office of the County Recorder of San Diego County, California, together with a certified copy of this resolution.

I HEREBY CERTIFY the above to be a full, true, and correct copy of Resolution No. 74004 of the Council of the City of San Diego, as adopted by said Council APR 29 1941

THE CITY OF SAN DIEGO STATE OF CALIFORNIA

FRED W. SICK City Clerk By AUGUST M. WADSTROM August M. Wadstrom Deputy

DOCUMENT NO. 228702 FILED APR 29 1941 FRED W. SICK, City Clerk By - August M. Wadstrom, Deputy

RECORDED AT REQUEST OF GRANTEE APR 30 1941 41 min. past 3 P.M.

No Fee \$ ROGER H. HOWE, County Recorder By Deputy H. I. Erb 25243

00000

This Instrument Affects Registered Land Last Registered Certificate No. Name of Last Registered Owner

UNION TITLE INSURANCE AND TRUST COMPANY, a corporation, of the County of San Diego, State of California, for and in consideration of the sum of ONE AND NO/100 Dollar DOES HEREBY GRANT to: MARY B. STEYLE and PHILIP JOSEPH STEYLE, wife and husband, joint tenants,

All that real property situated in the County of San Diego, State of California, bound-

PHOTOGRAPHED BY S. WRIGHT JR. DEPUTY RECORDER

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ed and described as follows:

All that portion of Section Thirty-two, Township Twelve South, Range Four East, San Bernardino Meridian, in the County of San Diego, State of California, according to United States Government Survey approved November 17, 1880, described as follows:

Commencing at a point which is 628.9 feet South and 2390.61 feet East from the West quarter corner of said Section, as said corner is shown on map of Road Survey No. 376, on file in the office of the County Surveyor of said San Diego County, said point of commencement being also at Station 22 plus 46.67 on the center line of said Road Survey; thence North 51° 43' 30" East a distance of 20 feet to a Ford Axle in a Stone Monument; thence North 51° 43' 30" East 256.51 feet to a Ford Axle in a Stone Monument; thence North 19° 30' East 639.25 feet to a Ford Axle in a Stone Monument; thence North 72° 33' West 234.23 feet to a Ford Axle in a Stone Monument; thence South 15° 46' West 581.05 feet to a Ford Axle in a Stone Monument; thence South 51° 31' West 126.78 feet to a Ford Axle in a Stone Monument; thence South 51° 31' West 20 feet to a center line on the County Road; thence along center line of County Road South 13° 37' East 100.10 feet to the beginning of a curve to the left concave to the Northeast having a radius of 300 feet; thence along the arc of said curve 96.86 feet to the end thereof; thence tangent to said curve South 32° 7' East 8.47 feet to the point of commencement.

Excepting therefrom that portion conveyed by Union Trust Company of San Diego to MARY B. STEELE and PHILIP JOSEPH STEELE, wife and husband, as joint tenants, by deed dated November 4, 1925, recorded December 6, 1925, in Book 1123 at Page 130 of Deeds in the Recorder's Office and also filed December 8, 1925 as Document No. 5071 in the office of the Registrar of Land Titles of San Diego County.

Reserving therefrom a right-of-way for public road purposes over, through and across a strip of land twenty feet lying northerly of and adjacent to the following described line:

Beginning at a point South 15° 46' West 236.57 feet from the Northwesterly corner of the above described parcel for the true point of beginning of said line thence North 54° 39' 30" East 33.11 feet; thence North 81° 35' East 112.12 feet; thence South 73° 59' East 100.65 feet more or less, to an intersection with the Easterly boundary line of the above described property.

SUBJECT TO County Taxes for the fiscal year 1941-1942, easements and rights-of-way of record.

PROVIDED, HOWEVER, that this deed is made upon the following express conditions and restrictions:

1. The land above described is to be used for dwelling purposes only.
2. That said land shall not be sold, conveyed, leased or rented to any person not of the White or Caucasian Race.
3. That said land shall be kept in sane and sanitary condition, and the accumulation of rubbish and garbage thereon shall not be allowed.

THE FOREGOING CONDITIONS and restrictions shall be and are hereby made binding upon the parties of the Second Part, herein the survivor of them or the heirs or assigns of such survivor, and a breach or violation thereof or of any of said conditions shall in fact and without the necessity of notice to any person or parties and without the necessity of re-entry or repossession cause the title to said property to revert to and become vested in the party of the First Part herein, its successors or assigns; provided, that the foregoing conditions and the reverter of title above mentioned shall not affect the lien or validity of any bona fide mortgage or trust deed made for value, as to said realty or any

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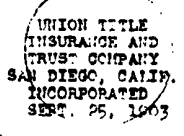
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part thereof; but said conditions shall be binding upon and effective against any subsequent owner of said realty.

IN WITNESS WHEREOF, said Corporation has caused this deed to be signed by its Vice-President and Assistant-Secretary and its Corporate Seal to be affixed hereto this 21st day of April, 1941.



UNION TITLE INSURANCE AND TRUST COMPANY  
By F. G. Forward Vice President  
APPROVED L.B. By Lloyd Baldrige Assistant Secretary.

STATE OF CALIFORNIA  
COUNTY OF SAN DIEGO) ss

On this 26th day of April, 1941, before me, MARY B. FINDEL, a Notary Public in and for said County and State, personally appeared F. G. FORWARD known to me to be the Vice-President, and LLOYD BALDRIDGE, known to me to be the Assistant-Secretary of the Corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the same.



Mary B. Findel  
Notary Public in and for said  
County and State

EMC

RECORDED AT REQUEST OF UNION TITLE INSURANCE & TRUST CO. APR 30 1941 at 9 A.M.

Fee \$1.60 11

ROGER H. HOWE, County Recorder  
By Deputy D. Cole 25104

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This Instrument Affects Registered Land 315856 ED  
Last Registered Certificate No.-----  
Name of Last Registered Owner-----

I, MARY B. STEYLE

For and in consideration of the sum of One Dollar  
DO HEREBY QUIT-CLAIM TO PHILIP JOSEPH STEYLE, my husband

ALL THAT REAL PROPERTY situated in the County of San Diego, State of California, bounded and described as follows:

All that portion of Section Thirty-two, Township Twelve South, Range Four East, San Bernardino Meridian, described as follows:

Commencing at a point which is 622.9 feet South and 2390.61 feet East from the West Quarter corner of said Section, as said corner is shown on map of Road Survey No. 178 on file in the office of the County Surveyor of said San Diego County, said point of commencement being also at Station 22 plus 45.67 on the center line of said Road Survey, thence North 51° 43' 20" East 276.51 feet; thence North 13° 36' East 639.25 feet; thence North 72° 33' West 234.23 feet; thence South 15° 46' West 521.05 feet; thence South 51° 31' West 146.76 feet; thence South 13° 37' East 100.10 feet to the beginning of a curve to the left concave to the Northeast, having a radius of 300 feet; thence along the arc of said curve 95.86 feet to the end thereof, thence tangent to said curve South 12° 07' East 2.47 feet to the point of commencement.

WITNESS my hand and seal this 25th 10th day of April, 1941.

STATE OF Washington D.C.)  
COUNTY OF ) ss.

Mary B. Steyle (SEAL)

On this 25th day of April, 1941, before me, Richard C. Duvall, a Notary Public in and for said Wash. D.C. County-and-State, personally appeared MARY B. STEYLE, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same.

WITNESS my hand and official seal the day and the year in this certificate first above written.

RICHARD C. DUVALL  
NOTARY PUBLIC  
DISTRICT OF COLUMBIA

Richard C. Duvall  
Notary Public in and for said  
Washington D.C. County-and-State,  
Notary Public, D.C.  
My commission expires December 1, 1942.  
My commission expires 12-1-42

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*Conc*

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