



Commonwealth Land Title Company
3480 Vine Street
Suite 100
Riverside, CA 92507
Phone: (951) 774-0825

**Commonwealth Land Title Co.
1555 S Palm Canyon Dr
Ste #D101 & D102
Palm Springs, CA 92264**

Our File No: 08403400 - 22
Title Officer: Lisa Saly
e-mail: lsaly@landam.com
Phone: (951) 774-0825
Fax: (951) 781-1169

Attn: **Dorothy Grames**

Your Reference No:

Property Address: 72 Royal Saint Georges Court, City of Rancho Mirage, California

PRELIMINARY REPORT

Dated as of July 30, 2008 at 7:30 a.m.

In response to the above referenced application for a policy of title insurance, Commonwealth Land Title 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 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 also set forth in Exhibit B. 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 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.

SCHEDULE A

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

CLTA Homeowner's Policy of Title Insurance

ALTA Loan 2006 Policy (6-17-06)

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

A FEE

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

72 Royal St. Georges, LLC, a California Limited Liability Company

The land referred to herein is situated in the County of Riverside, State of California, and is described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A"

All that certain real property situated in the County of Riverside, State of California, described as follows:

LOT 14 OF TRACT NO. 25361, IN THE CITY OF RANCHO MIRAGE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP FILE IN BOOK 360, PAGE(S) 18 THROUGH 28 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES LYING BELOW THE SURFACE OF SAID LAND, BUT WITH NO RIGHT OF SURFACE ENTRY, AS PROVIDED IN DEEDS OF RECORD.

SCHEDULE B – Section A

The following exceptions will appear in policies when providing standard coverage as outlined below:

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 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.

SCHEDULE B – Section B

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

- A. Property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, to be levied for the fiscal year 2008 – 2009 which are a lien not yet payable.
- B. The lien of any special assessment or tax resulting from the inclusion of the property in a special assessment district or Mello-Roos Community Facilities District, which may exist by virtue of assessment maps or notices filed and/or recorded by any such district. Assessments, if any, arising from such assessment districts may be collected with the regular real property taxes.
- C. Supplemental or escaped assessments of property taxes, if any, assessed pursuant to the Revenue and Taxation Code of the State of California.
 - 1. Easements over said land for public roads, rights of way, and rights incidental thereto; also private easements over said land for roads, pipelines, ditches, and rights incidental thereto, for purposes of ingress and egress and for conveying irrigating and domestic water,
In favor of: Coachella Valley County Water District and the Public
 - 2. A declaration of covenants, conditions and restrictions which, among other things, may contain or provide for easements; assessments, liens and the subordination thereof; said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.
Recorded: September 18, 1987 as Instrument No. 271673, of Official Records

NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that the covenant, condition or restriction (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Section 3607 or (c) relates to a handicap but does not discriminate against handicapped people.

Said instrument also provides for the levy of assessments, the liens of which are stated to be subordinate to the lien of any mortgage or deed of trust made in good faith and for value.

Modification(s) of said covenants, conditions and restrictions
Recorded: February 23, 1998 as Instrument No. 62098;
February 23, 1998 as Instrument No. 62100 and
May 24, 1999 as Instrument No. 1999-225007, all of Official
Records

The provisions of said covenants, conditions and restrictions were extended to include the herein-described land by an instrument
Recorded: November 08, 1999 as Instrument No. 1999-493816, of Official
Records

Modification(s) of said covenants, conditions and restrictions
Recorded: August 06, 2004 as Instrument No. 2004-615624, of Official
Records

3. The matters contained in a document entitled "Restrictions and Reservation of Rights and Easements" recorded December 29, 1989 as Instrument No. 458151, of Official Records.

Reference is made to said document for full particulars.

4. An easement for the purpose shown below and rights incidental thereto as set forth in a document
Granted to: Landmark Land Company of California
Purpose: Ingress and egress
Recorded: November 22, 1993 as Instrument No. 464103, of Official Records
Affects: said land more particularly described therein.

5. The matters contained in a document entitled "Declaration of Reservation, Rights and Easements" recorded July 28, 1995 as Instrument No. 246056, of Official Records.

Reference is made to said document for full particulars.

6. An easement for the purpose shown below and rights incidental thereto as set forth in a document
Granted to: The Mission Hills Project, LLC
Purpose: Utilities
Recorded: August 20, 1997 as Instrument No. 300076, of Official Records
Affects: said land more particularly described therein.

7. The matters contained in a document entitled "Cable Service Easement Agreement" recorded September 30, 1997 as Instrument No. 355118, of Official Records.

Reference is made to said document for full particulars.

8. An easement for the purpose shown below and rights incidental thereto as set forth in a document
Granted to: Southern California Edison Company, a Corporation
Purpose: Public utilities
Recorded: November 12, 1997 as Instrument No. 413732, of Official Records
Affects: said land more particularly described therein.

9. The matters contained in a document entitled "Domestic Water and/or Sanitation System Installation Agreement" recorded June 15, 1999 as Instrument No. 1999-263233, of Official Records.

Reference is made to said document for full particulars.

10. An easement for the purpose shown below and rights incidental thereto as set forth in a document
Granted to: Palm Springs 526, LLC, an Arizona Limited Liability Company
Purpose: Access
Recorded: November 09, 2000 as Instrument No. 2000-449623, of Official Records
Affects: said land more particularly described therein.

11. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Southern California Edison Company, a Corporation
Purpose: Public utilities
Recorded: February 26, 2004 as Instrument No. 2004-131664, of Official Records
Affects: said land more particularly described therein.

12. The fact that said land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document.

Redevelopment Agency: Rancho Mirage Merged Redevelopment Project Area
Recorded: February 27, 2004 as Instrument No. 2004-134828, of Official Records

13. Matters contained in the dedication statement or elsewhere on the tract or parcel map shown below, which among the things provide:

Tract/Parcel Map: 25361

Provisions: We hereby dedicate to the City of Rancho Mirage easements for public utility purposes over Lot A and AA, designated on the Map as Private Street and over Lots 1, 15, 32 and 33 designated on the Map as Emergency Access and those areas designated as P. U. E.

We hereby dedicate to the City of Rancho Mirage, easements for the right of ingress and egress of service and emergency vehicles over Lots A, AA, L, 15, 32 and 33 designated on the Map as private street and Emergency Access.

We hereby retain as private street and for golf course access, Lot A and AA for the sole benefit of ourselves, successors, assignees and the Lot owners within this subdivision. We hereby retain those easements across Lots 6 and 10 shown as Drainage Easements for the sole benefit of ourselves, successors, assignees and the Lot owners within this Subdivision.

We hereby dedicate to Coachella Valley Water District an easement over Lots A and AA designated on the map as Private Street and across Lot 33 for domestic water and sanitation purposes. The easements so dedicated include the right to enter upon said lands to survey, construct, reconstruct, lay, relay, maintain, operate, control use and remove pipelines, fixtures and appurtenances and to remove objects interfering with the construction, operation and maintenance thereof.

We hereby retain for golf course purposes Lots 32 and 33 for the sole benefit of ourselves, successors and assignees.

We hereby reserve easement for landscape maintenance purposes over Lots, B, C, D, E, F, G, H, I, J, K, L and M.

City of Rancho Mirage, easement holder for public utility purposes and the right of ingress and egress of service and emergency vehicles over Lot A designated as a private Street per recorded Tract 25361-1 as shown by map on file in 345 pages 28 through 31.

Reference is made to said map for full particulars.

14. An easement for the purposes shown below and rights incidental thereto as shown or as offered for dedication on the recorded map of said tract.

Purpose: Public utility
Affects: As shown on said Map

15. An easement for the purposes shown below and rights incidental thereto as shown or as offered for dedication on the recorded map of said tract.

Purpose: Drainage
Affects: As shown on said Map

16. An easement for the purposes shown below and rights incidental thereto as shown or as offered for dedication on the recorded map of said tract.

Purpose: Public utility and emergency vehicle access
Affects: As shown on said Map

17. A declaration of covenants, conditions and restrictions which, among other things, may contain or provide for easements; assessments, liens and the subordination thereof; said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.

Recorded: July 29, 2004 as Instrument No. 2004-586381, of Official Records

NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that the covenant, condition or restriction (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Section 3607 or (c) relates to a handicap but does not discriminate against handicapped people.

Said instrument also provides for the levy of assessments, the liens of which are stated to be subordinate to the lien of any mortgage or deed of trust made in good faith and for value.

18. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: GTE California Incorporated, a Corporation
Purpose: Public utilities
Recorded: October 20, 2004 as Instrument No. 2004-829709, of Official Records
Affects: said land more particularly described therein.

19. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Verizon California Inc., a Corporation
Purpose: Public utilities
Recorded: October 20, 2004 as Instrument No. 2004-829711, of Official Records
Affects: said land more particularly described therein.

20. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Verizon California Inc., a Corporation
Purpose: Public utilities
Recorded: December 22, 2004 as Instrument No. 2004-1012550, of Official Records
Affects: said land more particularly described therein.

21. The matters contained in a document entitled "Private and Common Area Landscape and Improvement Maintenance Covenant" recorded July 29, 2004 as Instrument No. 2004-0586382, of Official Records.

Reference is made to said document for full particulars.

22. An agreement to which reference is hereby made for full particulars,

By and between: Coachella Valley Water District
Regarding: Domestic water and/or sanitation system installation
Recorded: October 13, 2004 as Instrument No. 2004-0810987, of Official Records

23. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Southern California Edison Company, a Corporation
Purpose: Public utilities
Recorded: June 28, 2006 as Instrument No. 06-467913, of Official Records
Affects: said land more particularly described therein.

24. A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby.

Amount: \$2,550,000.00
Dated: June 11, 2007
Trustor: Greg Hartmann, a single man
Trustee: LandSafe Title of California, Inc.
Beneficiary: Wall Street Mortgage Bankers, LTD, D/B/A Power Express
Recorded: June 15, 2007 as Instrument No. 2007-0395148, of Official Records
Loan No.: 312377-PERM

An assignment of the beneficial interest under said deed of trust which names
As Assignee: IndyMac Bank, F.S.B.
Recorded: August 09, 2007 as Instrument No. 2007-0514711, of Official Records

END OF SCHEDULE B EXCEPTIONS

PLEASE REFER TO THE "NOTES AND REQUIREMENTS SECTION" WHICH FOLLOWS FOR INFORMATION NECESSARY TO COMPLETE THIS TRANSACTION

INFORMATIONAL NOTES SECTION

NOTE NO. 1: The information on the attached plat is provided for your convenience as a guide to the general location of the subject property. The accuracy of this plat is not guaranteed, nor is it a part of any policy, report or guarantee to which it may be attached.

NOTE NO. 2: California insurance code section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds deposited with the company by wire transfer may be disbursed upon receipt. Funds deposited with the company via cashier's check or teller's check drawn on a California based bank may be disbursed on the next business day after the day of deposit. If funds are deposited with the company by other methods, recording and/or disbursement may be delayed. All escrow and sub-escrow funds received by the company will be deposited with other escrow funds in one or more non-interest bearing escrow accounts of the company in a financial institution selected by the company. The company may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with such financial institution, and the company shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by the company. Those benefits may include, without limitation, credits allowed by such financial institution on loans to the company or its parent company and earnings on investments made with the proceeds of such loans, accounting, reporting and other services and products of such financial institution. Such benefits shall be deemed additional compensation of the company for its services in connection with the escrow or sub-escrow.

WIRING INSTRUCTIONS FOR THIS OFFICE ARE:

**Union Bank of California
1980 Saturn Street
Monterey Park, CA 91755
Phone: (800) 218-6466
ABA #122-000-496
Credit To: Commonwealth Land Title Company – Inland Empire
Account #9100194640**

RE: 08403400 811 - DG4

PLEASE INDICATE COMMONWEALTH LAND TITLE COMPANY ESCROW OR TITLE ORDER NUMBER

NOTE NO. 3: The charges which the company will make for next day messenger services (i.e. Federal Express, UPS, DHL, Airborne, Express mail, etc.) Are \$15.00 per letter, standard overnight service, and \$25.00 for larger size packages and/or priority delivery services. Such charges include the cost of such messenger service and the company's expenses for arranging such messenger service and its overhead and profit. Special messenger services will be billed at the cost of such services. There will be no additional charge for pick-up or delivery of packages via the company's regularly scheduled messenger runs.

NOTE NO. 4. The charge for a policy of title insurance, when issued through this title order, will be based on the Short Term Rate

NOTE NO. 5. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an ALTA Loan Policy, when issued.

NOTE NO. 6. The following information will be included in the CLTA Form 116 or ALTA Form 22-06 Endorsement to be issued pursuant to this order:

There is located on said land: A single family residence in a Planned Unit Development
Known as: 72 Royal Saint Georges Court, City of Rancho Mirage, California

NOTE NO. 7. The only conveyances affecting said land, recorded within the previous 24 months, are as follows:

Grantor: Gregory W. Hartmann, a single man
Grantee: 72 Royal St. Georges, LLC, a California Limited Liability Company
Recorded: August 18, 2008 as instrument no. 0455449 Official Records

NOTE NO. 8. THIS COMPANY REQUIRES CURRENT BENEFICIARY DEMANDS PRIOR TO CLOSING. If the demand is expired and a current demand cannot be obtained, our requirements will be as follows:

- (a) If this Company accepts a verbal update on the demand, we may hold an amount equal to one monthly mortgage payment. This hold will be in addition to the verbal hold the lender may have stipulated.
- (b) If this Company cannot obtain a verbal update on the demand, we will either pay off the expired demand, or wait for the amended demand, at our discretion.
- (c) All payoff figures are verified at closing. If the customer's last payment was made within 15 days of closing, our Payoff Department may hold one month's payment to insure check has cleared the bank (unless a copy of the cancelled check is provided, in which case there will be no hold).

NOTE NO. 9: Association Assessments are periodically due from holders of title to said land to the Homeowner's Association and transfer fees may be due whenever there is a transfer of title of any of the units. In order to ascertain seller's/buyer's association assessments and transfer fee requirements prior to transfer of a unit, Escrow companies are requested to contact said Homeowner's Association.

NOTE NO. 10: Property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, for the fiscal year shown below, are paid. For proration purposes the amounts are:

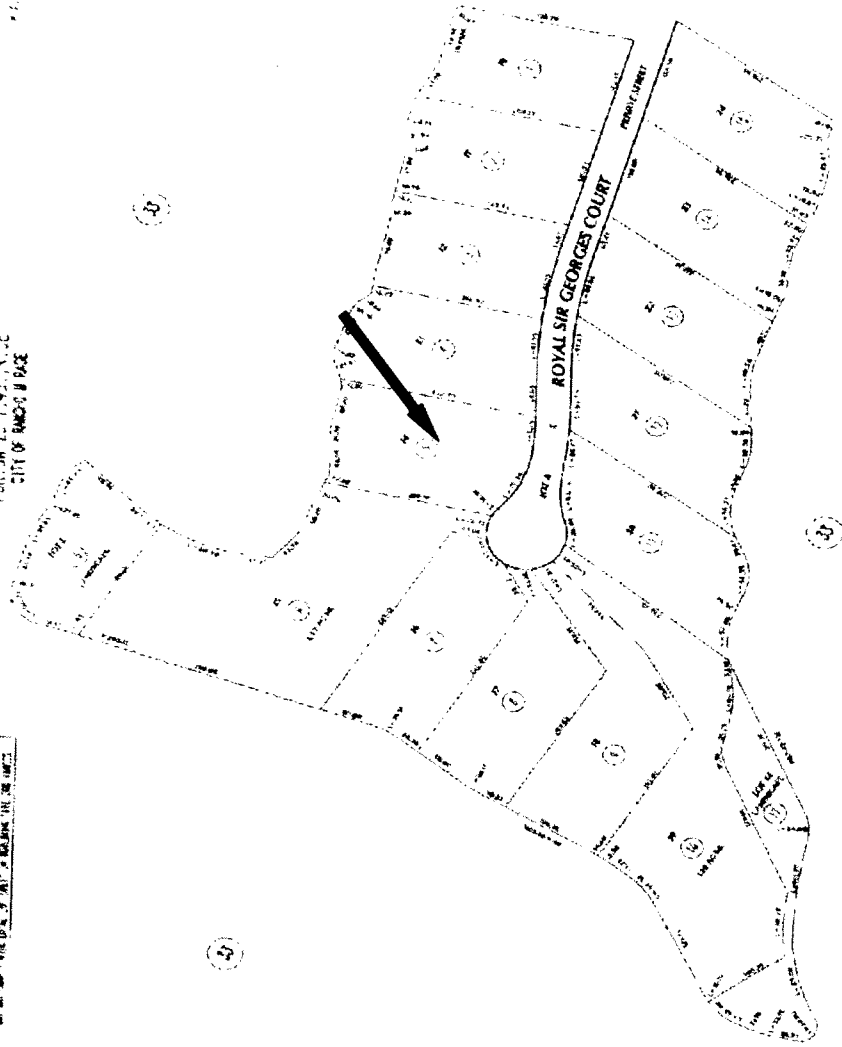
Fiscal year	2007 - 2008
1st Installment:	\$4,478.12
2nd Installment:	\$4,478.12
Exemption:	\$0.00
Code Area:	017-006
Assessment No.:	673-800-005-5

Typist: 774
Date Typed: August 5, 2008

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POR. SW. 22 T. 45, R. 3E
CITY OF BANGOR, IDAHO

THIS MAP WAS PREPARED FOR THE CITY OF BANGOR, IDAHO, BY THE CITY ENGINEER, AND IS SUBJECT TO THE APPROVAL OF THE CITY ENGINEER. THE CITY ENGINEER'S OFFICE IS LOCATED AT 100 N. 1ST ST., BANGOR, IDAHO 83701.



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NO. 10710-02 TRACT MAP NO. 25361

CHESS'S MAP 2007, P. 20
Butterfly County, 2011