

Accept



CHICAGO TITLE COMPANY

PRELIMINARY REPORT

In response to the application for a policy of title insurance referenced herein, **Chicago 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 herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions 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 Attachment One. 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 Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

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

The policy(s) of title insurance to be issued hereunder will be policy(s) of Chicago Title Insurance Company, a Nebraska corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One 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.

Ray J. Mariani
Countersigned



Chicago Title Company

BY *Gene M. Finley* President

ATTEST *[Signature]* Secretary

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Chicago Title Company

ISSUING OFFICE: 675 N. First Street, Suite 400 • San Jose, CA 95112
408 271-7600 • FAX 408 295-3975

FOR SETTLEMENT INQUIRIES, CONTACT: Chicago Title Company - San Jose Commercial
675 N. 1st Street, Suite 300 • San Jose, CA 95112
408 292-4212 • FAX 408 282-1404

PRELIMINARY REPORT

Amended

Title Officer: Mark Clayton C&I
Escrow Officer: Sharon LaFountain
Escrow No.: 09-**98204756**-SL

Title No.: 09-**98204756**-A-MC
Locate No.: CACTI7743-7743-2982-0098204756

TO: Grubb & Ellis
1732 North First Street, Suite 100
San Jose, CA 95112

ATTN: Tom Spilsbury

SHORT TERM RATE: No

PROPERTY ADDRESS: 20 Dittos Lane, Los Gatos, California 95032

EFFECTIVE DATE: March 17, 2009, 07:30 A.M.

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

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

A Fee
2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

NICHOLAS GERA, as Trustee of the KLARA GERA SURVIVOR'S TRUST established by THE MARKO GERA AND KLARA GERA TRUST dated March 9, 1987, an undivided 50% interest, and to NICHOLAS GERA, as Trustee of the MARKO GERA MARITAL TRUST, established by THE MARKO GERA AND KLARA GERA TRUST dated March 9, 1987, an undivided 50% interest
3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

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

RR\RL 04/07/2009

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE TOWN OF LOS GATOS, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

BEGINNING at a point in the Easterly line of Wilcox Street (formerly Swain's Lane), distant thereon 3 chains and 4 links Southerly from the Southerly line of Main Street; running thence Southerly along said Easterly line of Wilcox Street, 120 feet to the North line of a road; thence along the Northerly line of said Road, S. 80 1/2° W. 27 links; thence S. 2 1/4° E. 15 links; thence along the Southerly line of College Avenue (also called Jones Road) S. 75° 5' W. 3 chains and 36 1/2' links; S. 14 1/2° E. 42 links and S. 77 1/2° W. 2 chains and 84 links to a stake marked "C10", standing in the Westerly fence line of said College Avenue (or Jones Road); thence along said Westerly fence line S. 25 1/2° W. 2 chains and 56 links to a stake marked "D.1" and "L.M.C.1", thence along said Westerly line of said College Avenue or Jones Road (also known as Wilcox Lane or Road), S. 34° 30' W. 1 chain and 4 links to a 4" x 4" post marked "W.C.C.12", standing in the Northeasterly line of the 2 acre tract of land conveyed by Francis S. Spencer, Trustee, to Edward Ditto by Deed dated March 21, 1882 and recorded in Book 69 of Deeds, page 491; thence along said last named line S. 31° 45' E. 30 feet, more or less, to the intersection with the most Easterly line of said Wilcox Lane or Road (or College Avenue or Jones Road); thence Southwesterly along said line of said Wilcox Lane or Road to its intersection with the line between said above mentioned 2 acre tract formerly of Edward Ditto and the 6.20 acre tract of land conveyed by said Francis E. Spencer, Trustee to James L. Woodard, by Deed dated November 22, 1881 and recorded in Book 62 of Deeds, page 143; thence along and beyond said last mentioned line N. 34° 15' W. 260 feet, more or less, to a 4" x 4" fence post marked "D10", standing in the fence in the Northerly line of the Old Flume reservation of the Los Gatos Manufacturing Company; thence along said fence line N. 84° 40' E. 1 chains and 33 links to a 4" x 4" fence post marked "D9", N. 76° 20' E. 24 1/2 links to a 4" x 4" fence post marked "D8", N. 68° 20' E. 49 1/2 links to a 4" x 4" fence post marked "D7", N. 61° E. 49 links to a 4" x 4" fence post marked "D6", N. 57° E. 73 links to a 4" x 4" fence post marked "D5", and N. 69° E. 24 links to a 4" x 4" fence post marked "D4"; thence along the Northerly line of said old flume reservation, N. 74° E. 23 links to a stake marked "D3" standing in the Northerly line of said old flume reservation; thence S. 31° 45' E. 8 feet to a 4" x 4" stake standing in the Southerly line of said old flume reservation of the Los Gatos Manufacturing Company and at the Northernmost corner of said 2 acre tract of land formerly of Edward Ditto, thence along said Southerly line of said old flume reservation N. 43° 45' E. 97 1/2 links to a stake marked "D2" and "L.M.C.2", standing in the said Southerly line of said old flume reservation; thence N. 43 3/4° E. 3 chains 72 1/2 links to a stake in a mound marked "C14", standing in the Northerly line of Ditto's Lane; thence along the Northerly line of said Lane N. 60 1/2° E. 84 links, N. 76 1/2° E. 1 chains and 45 links and N. 73 1/4° E. 3 chains and 98 links to a point in the said Easterly line of Wilcox Street; and thence Southerly along said Easterly line of Wilcox Street, 35 links to the point of beginning, being a portion of the Rancho Rinconada de Los Gatos.

Exceptint therefrom all that portion thereof which lies on the Southerly side of said Southerly line of said Wilcox Lane or Road, (or College Avenue or Jones Road).

ALSO EXCEPRING THEREFROM that portion described in the Deed from Grace M. Crim to Town of Los Gatos, A Municipal Corporation, dated June 17, 1938, Recorded June 23, 1938 in Book 878 of Official Records, Page 524, as follows:

Beginning at a point in the Westerly line of Wilcox Street, from which the Northeasterly corner of that certain tract deeded to Grace M. Crim by Sarah c. Crim by Deed dated August 8, 1928 and Recorded in Book 414 Official Records, Page 462, bears North 4° 47' West 69.80 feet along the Westerly line of Wilcox Street and running thence along a curve to the right having a radius of 69.30 feet through an arc, the course and distance of the chord being South 35° 09' West 88.96 feet to a point on the Northerly line of College Avenue (or Jones Road); and running thence along the Northerly ine of College Avenue, North 75° 05' East 39.80 feet; thence North 2° 15' West 9.90 feet and North 80° 30' East 17.82 feet to a point on the Westerly line of Wilcox Street, and running thence along the Westerly line of Wilcox Street, North 4° 47' West 50.20 feet to the point of beeginning, being a portion of the above mentioned tract deeded to Grace M. Crim.

EXCEPTING THEREFROM that portion thereof conveyed by Sophia C. Skendzel to State of California, by Deed dated June 7, 1954 and recorded August 9, 1954 in Book 2933 of Official Records, page 648, Recorder's File No. 997130, described as follows, to wit:

COMMENCING at the most Westerly corner of that certain parcel of land described in the Deed to Sophia C. Skendzel, recorded September 12, 1952 in Book 2486, at page 15, Official Records of Santa Clara County, being on the property line common to the lands now or formerly of Sophia C. Skendzel and of San Jose Water Works, a corporation; thence along said common property line S. 33° 20' 15" E. 21.12 feet to the property line common to the lands now or formerly of Sophia C. Skendzel and of Louis Casalegno; thence along last said common property line S. 33° 20' 15" E. 14.15 feet; thence N. 52° 50' 45" E. 57.09 feet to the property line common to the lands now or formerly of Sophia C. Skendzel and of Lino Spediacci, et al; thence along last said common property line S. 85° 34' 45" W. 65.08 feet to the point of commencement.

ALSO EXCEPTING THEREFROM that portion thereof, described as follows:

BEGINNING at a point in the Easterly line of Wilcox Street (formerly Swain's Lane) distant thereon 3 chains and 4 links Southerly from the Southerly line of Main Street; thence along said Easterly line of Wilcox Street, S. 3° 11' E. 120.00 feet to the North line of a road; thence along the Northerly line of said road, S. 80° 30' W. 17.82 feet; thence S. 2° 15' E. 9.90 feet; thence along the Southerly line of College Avenue (also formerly called Jones Road); S. 75° 05' W. 222.09 feet; thence running S. 14° 30' E. 27.72 feet; thence S. 77° 30' W. 147.48 feet; thence running N. 35° 47' 05" W. 126.41 feet to a point in the Northerly line of Ditto's Lane; thence along the Northerly line of said Lane and the Easterly prolongation thereof N. 43° 45' E. 60.67 feet; N. 60° 30' E. 55.44 feet, N. 76° 30' E. 95.70 feet and N. 73° 15' E. 262.68 feet to a point in the Easterly line of Wilcox Street; thence along said Easterly line S. 3° 11' E. 23.10 feet to the point of beginning, being a portion of the Rancho Rinconada de Los Gatos.

ALSO EXCEPTING THEREFROM that portion thereof conveyed by Heman D. Childs, et ux, to John Siracusa, et ux, by Deed dated December 30, 1963 and recorded April 24, 1964 in Book 6476 of Official Records, at page 281, described as follows, to wit:

BEGINNING at the most Westerly corner of that certain parcel of land described in the Deed from Heman D. Childs, et ux, to First Baptist Church of Los Gatos, Inc., a California corporation, dated June 12, 1961 and recorded June 30, 1961 in Book 5216 of Official Records, at page 42, Santa Clara County Records; running thence along the Southwesterly line of said parcel of land, S. 36° 38' 08" E. 79.95 feet to the point of intersection thereof with the existing Northwesterly line of College Avenue; running thence along said Northwesterly line of College Avenue S. 69° 00' 22" W. 11.27 feet to an angle point therein; thence running still along the Northerly line of said College Avenue, S. 24° 38' 57" W. 175.00 feet; thence leaving said line and running N. 18° 39' 14" W. 143.51 feet to a point in the Southeasterly line of that certain 1.329 acre parcel of land conveyed by Edward C. Bocci, et ux, to State of California, by Deed dated June 10, 1954 and recorded September 21, 1954 in Book 2963 of Official Records, at page 416, Santa Clara County Records; thence running along said last named line, N. 41° 50' E. 122.50 feet to the point of beginning and being a portion of the Rancho Rinconada de Los Gatos.

APN: 529-29-034

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. **Property taxes**, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2009-2010.

2. **The lien of supplemental taxes**, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.



3. **Rights of the public** as to any portion of the land lying within the area commonly known as College Avenue or Jones Road, also known as Wilvox Lane or Road and Ditto's Lane and Wilvox Street.

4. An unobstructed right of way as referred to in the Deed from The Los Gatos Manufacturing Company, a corporation, to Edward Ditto, dated June 1, 1893, and recorded February 23, 1894 in Book 166 of Deeds, page 461; and as granted in the Deed from San Jose Water Company, a corporation, to Z. W. Wheaton, dated April 25, 1914 and recorded April 29, 1914 in Book 413 of Deeds, at page 513, said Right of Way being described in said last mentioned Deed as follows:

An unobstructed Right of Way over the following described property situated in the Town of Los Gatos, described as follows:

BEGINNING at a stake marked "W" standing at the point of intersection of the center line of Wheaton's private road with the fence line between lands of Z. W. Wheaton and lands of San Jose Water Company, said point of beginning being distant North 30 3/4° West 25 links from a 6" x 6" fence post marked "D3" and standing at the Northeast corner of 0.0526 acre tract deeded by Los Gatos Manufacturing Company to Edward Ditto by Deed dated June 1, 1893 and recorded in Book 166 of Deeds, page 461; thence along the center line of Wheaton's private road, North 62 1/4° East 2.02 chains to an iron pipe standing in the Northerly line of Ditto Road, the terminus of said right of way being a right of way 30 feet wide, or 15 feet on each side of the above described center line. Courses true. Variation 17 3/4° East.

5. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to:	Town of Los Gatos, A Municipal Corporation
Purpose:	Street purposes
Recorded:	September 8, 1952, Book 2483, Page 118, of Official Records
Affects:	As follows:

All that portion of land described in that certain Deed from Grace M. Crim to Ross F. Paratore, as to an undivided one half interest and Theresa Paratore, a Widow, as to an undivided one-half interest, dated October 19, 1951 and Recorded November 27, 1951 in Book 2322 of Official Records, at Page 615, in the Office of the County Recorder of the County of Santa Clara, State of California, which lies Easterly and Southerly of the following described line:

Beginning at a point in the Northeasterly line of the J.L. Woodward Subdivision as the same is recorded in Book F of Maps, at Page 23 in the Office of the County Recorder of the County of Santa Clara, State of California; distant thereon 28.00 feet Northwesterly from the monument located at the intersection of the said Northeasterly subdivision line and the center line of Wilcox Lane (previously called Jones Road and now called College Avenue); thence North 63° 31' East 68.08 feet; North 54° 23' 30" East 131.57 feet North 39° 58' 30" East 86.49 feet; North 26° 29' East 146.13 feet; North 13° 08' East 64.44 feet; North 69° 28' East 165.55 feet; North 74° 11' 30" East 187.18 feet; North 54° 14' East 41.56 feet; North 27° 15' 30" East 44.71 feet; thence North 88° 21' East 30 feet, more or less, to the most Easterly line of the aforementioned Wilcox Lane or Road (now called College Avenue).



6. **The fact** that the ownership of said land does not include rights of access to or from the street, highway, or freeway abutting said land, such rights having been relinquished by the document,

Recorded: August 9, 1954, Book 2933, Page 648, of Official Records

7. **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: Town of Los Gatos for the Central Los Gatos Redevelopment Project
Recorded: December 5, 1991, Instrument No. 11155292, of Official Records

Statement of Institution of Redevelopment Plan Amendment

Recorded: October 28, 2003 as Instrument No. 17444059 of Official Records

8. **Any invalidity or defect** in the title of the vestees in the event that the trust referred to herein is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.

If title is to be insured in the trustee(s) of a trust, (or if their act is to be insured), this Company will require a **Trust Certification pursuant to California Probate Code Section 18100.5**. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

9. The herein referred to property appears to be free and clear of any Deeds of Trust or Mortgages. Please confirm if this is the case.

- 10. Any rights of the parties in possession** of a portion of, or all of, said land, which rights are not disclosed by the public record.
- This Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.
- 11. Any easements** not disclosed by those public records which impart constructive notice as to matters affecting title to real property and which are not visible and apparent from an inspection of the surface of said land.
- 12. Any facts, rights, interests or claims** which a correct survey would disclose and which are not disclosed by the public records.
- 13.** "If an Alta Policy is requested, this Company will require an Inspection prior to the Close of Escrow."

END OF ITEMS

Note 1. Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

Tax Identification No.:	529-29-034
Fiscal Year:	2008 - 2009
1st Installment:	\$4,489.14
2nd Installment:	\$4,489.14
Exemption:	None Shown
Land:	\$363,864.00
Improvements:	\$242,572.00
Personal Property:	\$0.00
Code Area:	03-191

Note 2. There are NO deeds affecting said land, recorded within six (6) months of the date of this report.

Note 3. **The application** for title insurance was placed by reference to only a street address or tax identification number.

Based on our records, we believe that the description in this report covers the parcel requested, however, if the legal description is incorrect a new report must be prepared.

If the legal description is incorrect, in order to prevent delays, the seller/buyer/borrower must provide the Company and/or the settlement agent with the correct legal description intended to be the subject of this transaction.

Note 4. Effective March 1, 1979, there will be an additional \$10.00 fee for recording a deed with a legal description other than an entire lot in a recorded final map. If there are any questions, please call your escrow officer or title officer.

Note 5. If a 1970 ALTA Owner's or Lender's or 1975 ALTA Leasehold Owner's or Lender's policy form has been requested, the policy, when approved for issuance, will be endorsed to add the following to the Exclusions From Coverage contained therein:

Loan Policy Exclusion:

Any claim, which arises out of the transaction creating the interest of the mortgage 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.

Owners Policy Exclusion:

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 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.

Note 6. If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.

NOTES: (continued)

Title No. 09-**98204756**-A-MC
Locate No. CACTI7743-7743-2982-0098204756

Note 7. Wiring instructions for Chicago Title Company, San Jose, CA, are as follows:

Receiving Bank:	Bank of America 275 Valencia Blvd, 2nd Floor Brea, CA 92823-6340
ABA Routing No.:	026009593
Credit Account Name:	Chicago Title Company - San Jose Commercial 675 N. 1st Street, Suite 300, San Jose, CA 95112
Credit Account No.:	12353-81969
Escrow No.:	09- 98204756 -SL

These wiring instructions are for this specific transaction involving the Title Department of the San Jose office of Chicago Title Company. These instructions therefore should not be used in other transactions without first verifying the information with our accounting department. It is imperative that the wire text be exactly as indicated. Any extraneous information may cause unnecessary delays in confirming the receipt of funds.

Note 8. Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirements cannot be met, please call the company at the number provided in this report.

END OF NOTES

ATTACHMENT ONE
AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87) 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
 - improvements on the land
 - land division
 - 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 knowledge of the taking

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

1. Any rights, interests, or claims of parties in possession of the land not shown by the public records.
2. Any easements or liens not shown by the public records. This does not limit the lien coverage in Item 8 of Covered Title Risks.

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

3. Any facts about the land which a correct survey would disclose and which are not shown by the public records. This does not limit the forced removal coverage in Item 12 of Covered Title Risks.
4. Any water rights or claims or title to water in or under the land, whether or not shown by the public records.

**ATTACHMENT ONE
(CONTINUED)**

**CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990
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 (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 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 claim, which arises out of the transaction vesting in the insured the estate or interest insured by this 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.

**SCHEDULE B, PART I
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:

PART I

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 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 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, 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.

**ATTACHMENT ONE
(CONTINUED)**

**AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)
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) 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 to 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 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 judgement or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) 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 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 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, 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.

**ATTACHMENT ONE
(CONTINUED)**

**2006 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE**

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (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).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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

1. (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.

**ATTACHMENT ONE
(CONTINUED)**

**AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92)
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 judgement or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) 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 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 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, 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.

**ATTACHMENT ONE
(CONTINUED)**

**2006 AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE**

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed, or agreed to by the Insured Claimant;
(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
(c) resulting in no loss or damage to the Insured Claimant;
(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is (a) a fraudulent conveyance or fraudulent transfer; or (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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

1. (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.

**ATTACHMENT ONE
(CONTINUED)**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)
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 Land
 - e. Land division
 - f. environmental protection
 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. 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:

- For 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:	1.00% of Policy Amount or \$ 2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 15:	1.00% of Policy Amount or \$ 5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 16:	1.00% of Policy Amount or \$ 5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 18:	1.00% of Policy Amount or \$ 2,500.00 (whichever is less)	\$ 5,000.00

**ATTACHMENT ONE
(CONTINUED)**

**ALTA 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 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 improvements now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas 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 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 the 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.

Fidelity National Financial, Inc.
Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected

We may collect Personal Information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;
- Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded documents.

Disclosure of Personal Information

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

Disclosure to Nonaffiliated Third Parties - We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information

We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Personal Information.

**Access To Personal Information/
Requests for Correction, Amendment, or Deletion of Personal Information**

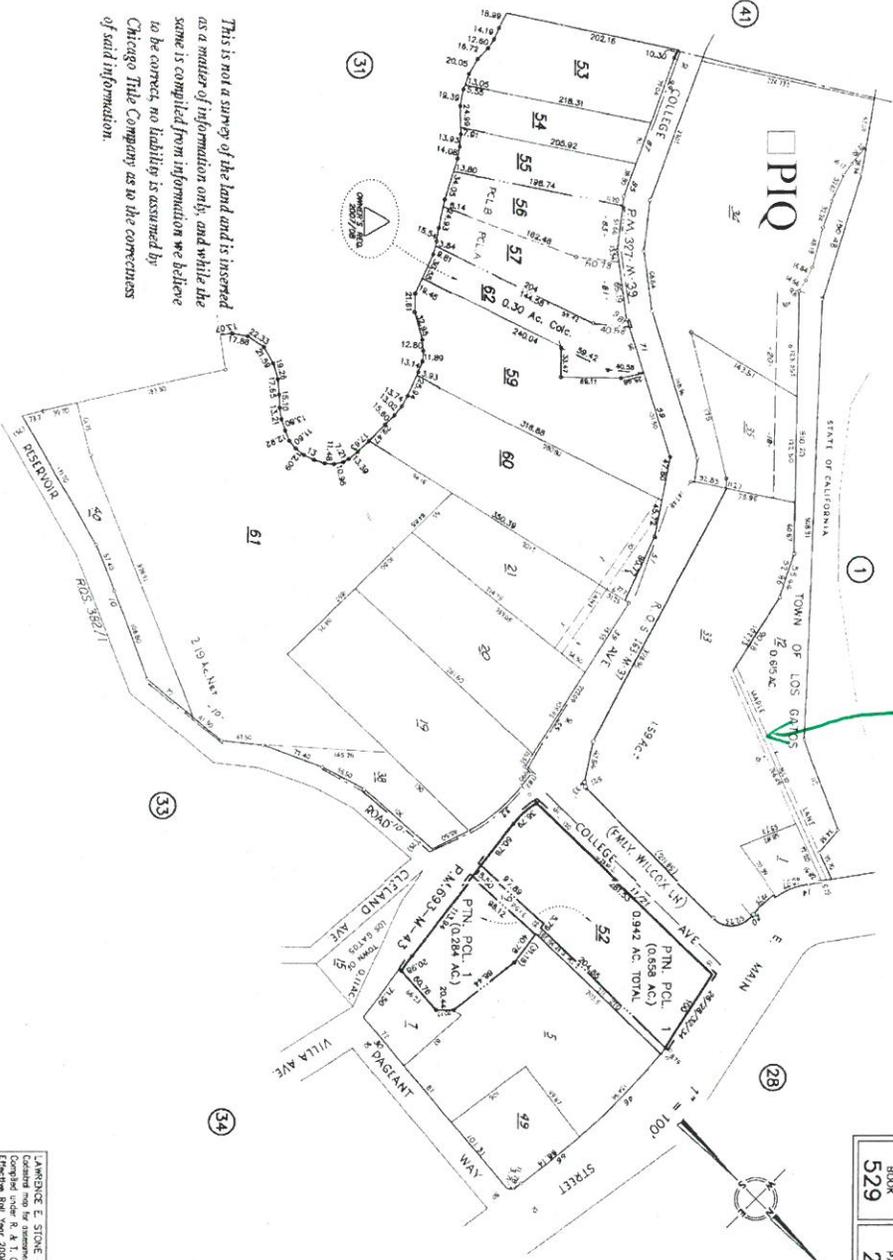
As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer
Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, FL 32204

Changes to this Privacy Statement

This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.



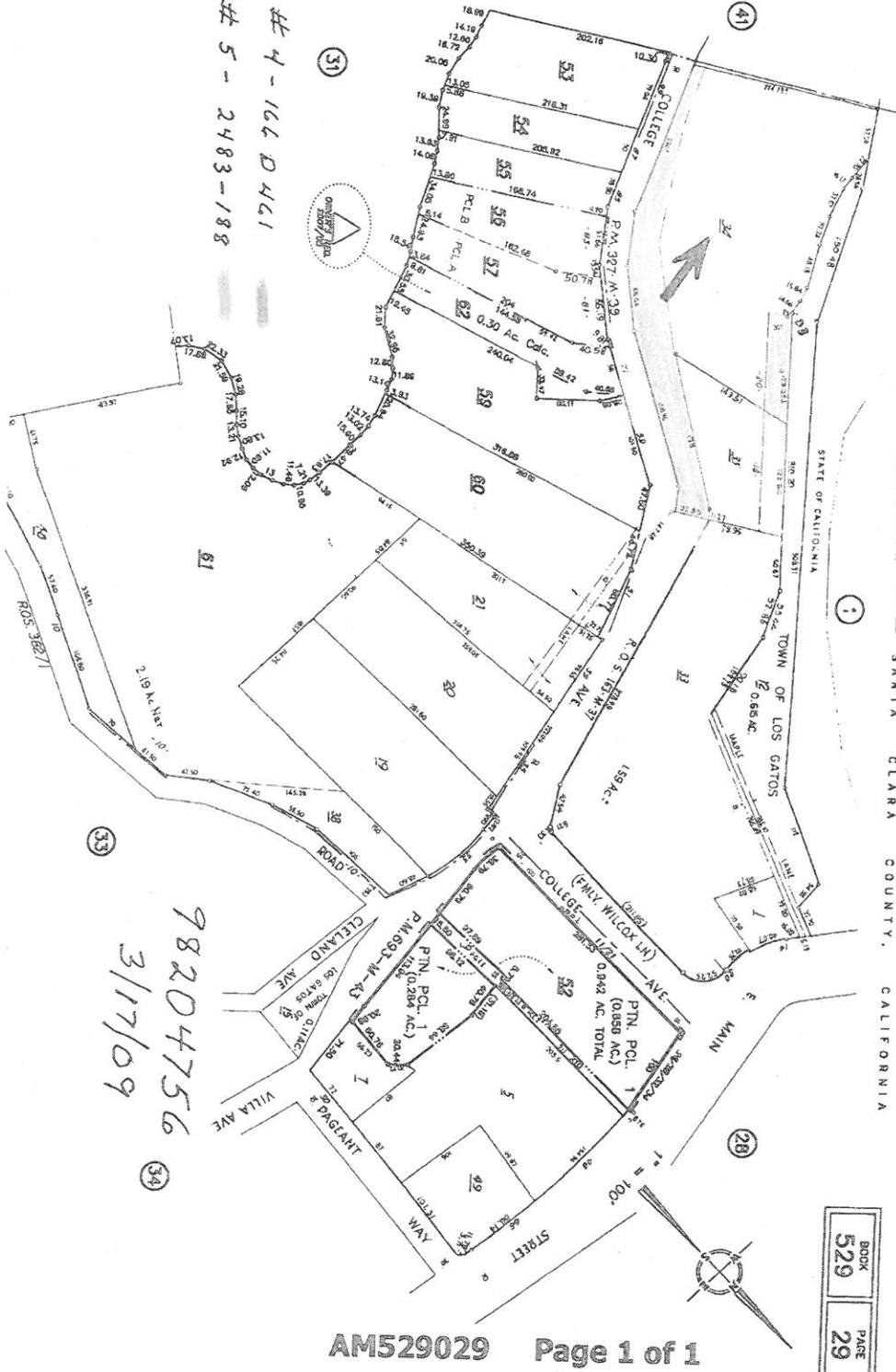
This is not a survey of the land and is inserted as a matter of information only, and while the same is compiled from information we believe to be correct, no liability is assumed by Chicago Title Company as to the correctness of said information.

LAWRENCE E. STONE - ASSESSOR
 Created map by automated program only
 Compiled under R. & T. Code, Sec. 337
 Effective Date: Nov 2008-2009

This is not a survey of the land and is inserted as a matter of information only, and while the same is compiled from information we believe to be correct, no liability is assumed by Chicago Title Company as to the correctness of said information.

The location of the easement(s) depicted hereinafter are approximate only and not a survey of the location of the easement(s). Chicago Title assumes no liability as to the accuracy of the location of the easement(s) depicted herein.

OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA



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